Volume LXIV *September 1949* *Number 3*

POLITICAL SCIENCE QUARTERLY

JOHN RICHARD GREEN AND HIS *SHORT HISTORY*

IT is fitting that Green's name and Oxford's should be linked. Like some other Oxonians, he seems to have derived little benefit, to be sure, from the educational curriculum at the university, which he entered in December 1855, at the age of eighteen. But unlike most of them, he was born and brought up in Oxford, and it was the city of Oxford that gave him his intense and abiding love of history. A vivid sense of historical continuity was aroused in him as a child by the churches and other antiquities of the town and its surrounding villages. His earliest published historical work was a series of papers on Oxford in the eighteenth century, written while he was still an undergraduate, which appeared in *The Oxford Chronicle* in 1859.[1] In these youthful essays the future historian of the English people showed his strong interest in social history and a historical imagination that enabled him to make the past seem living. He showed, also, a vivid appreciation of the importance of municipal history, a field hitherto left almost virgin by English historians and one in which he was to play a pioneer rôle. His interest in the history of towns grew out of his interest in towns as living organisms, just as his interest in the history of the English people grew out of his interest in English people of his own day. Green never forgot his first historical love. In 1873, the year before the publication of his *Short History of the English People*, he was considering the preparation of a volume of essays on Oxford history, and one

[1] Reprinted in *Oxford Studies*, a collection of four essays of Green's on Oxford, ed. by Mrs. J. R. Green and K. Norgate (London, 1901), and in *Studies in Oxford History, chiefly in the Eighteenth Century* (Oxford, 1901).

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of his last interests was a project for the establishment of an Oxford Historical Society, for which he drew up proposals in 1881. The society, which was actually founded in 1884, the year after Green's death, has always looked upon him as its spiritual father.

Green enjoyed no advantages of hereditary wealth or social position. His father, the son of a tailor, was described as a "maker of silk gowns for Fellows". He was parish clerk of an Oxford church, and the boy was raised in a High Church and Tory atmosphere. The heroes of the Oxford Movement—Pusey, Newman, and the rest—were household names to him in his youth. The elder Green, living in the shadow of the great university, had a profound respect for learning, a respect not fully shared by the young gentlemen who were idling their way to the B.A. degree and a place in the worshipful company of Oxford's alumni. John Richard, his eldest son, was sent at the age of eight to Magdalen Grammar School, then conducted in a room within the precincts of Magdalen College.

The loyalty of most Oxonians has been to their university or to their own particular college. Oxford the city has existed for them only as a sort of physical container of the university, devoid of interest in itself. This was emphatically not the case with Green, who knew all the nooks and crannies of the town before he was matriculated at the university. It would almost seem that he was too good an Oxford citizen to be a thoroughly loyal Oxford student, too devoted a townsman to be an ardent gownsman. Those who knew him well when his mind and character were forming were struck, and at times irritated, by something approaching a feeling of dislike which he used to express for the university. This could perhaps be accounted for partly by a certain whimsicality, a penchant for startling statements that was characteristic of him in his youth, and very likely his attitude toward his fellow-students at Jesus College had something to do with it. That college in Green's day was full of young Welshmen, and he seems to have had little fondness for them. In a letter written in the year of his graduation he said that his feelings toward the Welsh were something like Dean Swift's toward mankind. His intimate friend and fellow-historian Edward A. Freeman believed, however, that a

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more fundamental reason for Green's attitude toward the university was that he regarded the Oxford which most people considered venerable as only "a modern and intrusive element in an older Oxford." In an essay on "The Early History of Oxford"[2] Green called attention to the erroneous, though prevalent, opinion that the city of Oxford was a mere offshoot of the university and pointed out that Oxford had known centuries of municipal life before a student had appeared on its streets. The university, he said, "found Oxford a busy, prosperous borough, and reduced it to a cluster of lodging-houses." It should be added, however, that Green's feeling toward the university was very considerably modified in his later years. Yet he never ceased to be a city of Oxford man.

The only Oxford professor who appears to have had much influence on Green was Arthur Penrhyn Stanley, afterwards Dean of Westminster, who held the chair of Ecclesiastical History when Green was an undergraduate. In a letter written a few years after his graduation, Green recalled the impression which a lecture of Stanley's had made upon him and also threw some light upon a crisis in his own undergraduate life:

> I came up to Oxford a hard reader and a passionate High Churchman—two years of residence left me idle and irreligious. . . .
>
> I was utterly miserable when I wandered into your lecture-room, and my recollection of what followed is not so much of any definite words as of a great unburdening. Then and after I heard you speak of work, not as a thing of classes and fellowships, but as something worthy for its own sake, worthy because it made us like the great worker.
>
> That sermon on work was like a revelation to me. . . .I took up my old boy-dreams,—history—I think I have been a steady worker ever since. And so in religion, it was not so much a creed that you taught me as fairness. . . .

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Green was able to resolve his religious problems well enough, for the time being, to take holy orders in the Church of Eng-

[2] Originally published in *Macmillan's Magazine* (October and November 1871); reprinted in *Stray Studies from England and Italy* (London, 1876) and in *Oxford Studies*.

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land. He was ordained deacon at Christmas, 1860, and priest a year later, at the age of twenty-four. Before leaving Oxford he had fallen to some extent under the influence of Frederick Denison Maurice and was strongly attracted by the opportunities for social work open to a clergyman. In his decision to enter the ministry he seems to have been actuated mainly, if not exclusively, by philanthropic considerations. He was not theologically-minded, and, though he could not remain neutral in the theological disputes of his day, they were not among his favorite topics of conversation. His interest in improving the conditions of the masses led him to the East End of London, where he labored among the poor in a succession of parishes until 1869. For a time he was curate to the Reverend Henry Ward, of whose household he became a welcome member. He and young Humphry Ward became lifelong friends, and, after the latter married, his wife shared his devotion to Green. In fact, Mrs. Humphry Ward was said to have modeled the hero of her novel *Robert Ellsmere* after him.

Green entered into the lives of his parishioners as far as possible, for he was always drawn to individuals rather than to mankind in the abstract, after the manner of cloistered humanitarians. In a memorial article on Green, his intimate friend James Bryce, the "Holy Roman" as he used to call him, commented on Green's abounding sympathy, which served him well as a clergyman among the poor of London's East End and enabled him to become "the most human, and in so far the most real and touching, of all who have dealt with English history." Green labored unsparingly and with selfless heroism during the terrible cholera epidemic of 1866 in London.

Green was not fond of preaching and was not attracted to public speaking, but according to all accounts he was an extraordinary conversationalist. "What a talker!", exclaimed a friend and fellow-curate of his in the East End. And Bryce's testimony is even more impressive: "Such talk has rarely been heard in our generation."

Green's clerical career was not without its drawbacks. For one thing, he was embarrassed financially, and more or less chronically so. His highest stipend in the East End was as In-

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cumbent of St. Philip's, Stepney (1865-1869), where his nominal compensation of £300 a year was reduced by various deductions to £200. "Imagine the end of our school year coming", he wrote to a fellow-social worker, "and my having to pay out of pocket a deficiency of £43....these incessant money-worries simply kill all vigor of life and thought in me." Nor was financial embarrassment the only form of unpleasantness that Green experienced during his career as a clergyman. The East End, with its slums and squalor, its filth and disease, was not calculated to make any appeal to aesthetic sensibilities, and Green was probably depressed constantly by the ugliness that surrounded him. Occasionally in his correspondence with intimate friends he confessed to a sense of weariness and frustration.

Green's East End experiences, however, were invaluable to him in his later work as a social historian. Mrs. Green, in a memoir of her husband, written a few years after his death and published as an Introduction to the 1888 edition of the *Short History*, said:

> To the last he looked on his London life as having given him his best lessons in history. It was with his churchwardens, his schoolmasters, in vestry meetings, in police courts, at boards of guardians, in service in chapel or church, in the daily life of the dock-labourer, the tradesman, the costermonger, in the summer visitation of cholera, in the winter misery that followed economic changes, that he learnt what the life of the people meant as perhaps no historian had ever learnt it before.

Historianship calls imperatively for a sense of change in history, of time-depth—for a never-lapsing consciousness of the unlikenesses between past and present. But it requires also an understanding of things that change little or not at all, and of these the most important, for the historian's purpose, is the nature of man. In formal historical training this aspect of the historian's craft is almost entirely neglected—perhaps on the hopeful but unwarranted assumption that all human beings (including historians) naturally understand other human beings. Small wonder, then, that so many of the figures who appear in the pages of academic historians are lifeless and unconvincing, more unreal and fictitious than the characters of fiction. It

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should go without saying that Clio's apprentices must master their sources and ought not to neglect their manuals of historical method; but they ought also to learn something about human nature by mingling with human beings, nor should they disdain what literary masters have accomplished in the delineation of human character.

Like all thoughtful members of the Anglican Communion, Green was disturbed by theological controversies within the Church during the years of his clerical career. One of these was the storm that arose over a volume published in 1860 which bore the definitely unexciting title of *Essays and Reviews*. It consisted of seven dissertations by liberal Churchmen, members of the Broad Church party, of which Maurice and Stanley (among the clergy) and Benjamin Jowett (among the laity) were prominent exponents. Some of the opinions expressed seemed highly improper and dangerous to theological conservatives and destructive of the foundations of the Church, and in due time the book was formally condemned by the Convocation of Canterbury. Meanwhile two of the seven contributors were tried by the Court of Arches of Canterbury and found guilty of heresy—the Reverend Doctor Rowland Williams for denying the verbal inspiration of Scripture and the Reverend Henry Bristow Wilson for the same and for denying the doctrine of eternal punishment. At length, however, in 1864, these judgments were reversed on appeal by the Judicial Committee of the Privy Council.

Even louder reverberations followed the publication of some studies in Biblical criticism by John William Colenso, Bishop of Natal. In connection with a translation of the Bible into the Zulu language, the Bishop had been brought face to face with questions concerning the historical truth of parts of the Old Testament. While he was translating the story of the Flood "a simple-minded but intelligent native" asked him whether he really believed it. To judge from his own account of the incident, this simple question led to a deep searching of the episcopal conscience: "My heart answered in the words of the Prophet, 'Shall a man speak lies in the Name of the Lord?' ....I felt that I dared not, as a servant of the God of Truth,

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urge my brother man to believe that which I did not myself believe, which I knew to be untrue, as a matter-of-fact, historical narrative." In the first part of *The Pentateuch and Book of Joshua Critically Examined,* which was published in 1862, Bishop Colenso sided strongly with the authors of *Essays and Reviews* and declared that, whatever their fate might be, the spirit of rational inquiry in Biblical interpretation could not be suppressed. In this and in later parts of his work he outraged verbal inspirationists, and theological conservatives generally, by arguing that the Pentateuch could not possibly have been written by Moses; that the Book of Genesis contained inconsistent accounts of the Creation, the Flood, and other events; that the story of the Exodus was not historically true; that the very existence of Moses as a historical personage was doubtful; that Joshua was mythical. He even went to the length of denying the fundamental Christian doctrine of eternal damnation, which was tantamount, of course, to denying the existence of hell, an institution in which the clergy had always had a professional and vested interest. The Bishop's opinions were duly condemned by the Convocation of Canterbury in 1863.

Green's sympathies were strongly on the side of the liberals, and he deplored the action taken by the Church in these controversies. He had outgrown the High Church outlook of his salad days and, after experiencing some attraction to Low Church evangelicalism, had come to a temporary resting place in the Broad Church wing of the Establishment. He seriously considered the founding of an association to promote unity among those members of the clergy and laity who stood for freedom of thought and teaching in the Church, but nothing came of this project. He was interested also in a plan for a journal of liberal religious opinion, but this, too, failed to materialize.

Gradually the thought was being borne in on Green that he might not be able to remain a clergyman, even of the Broad Church party. To Boyd Dawkins, a fellow-student at Oxford and then at the beginning of a distinguished career as a geologist and paleontologist, he wrote in 1864: "Everything seems

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slipping from under me—faith, doctrine, all becoming unreal. Men talk of me as a 'rising' clergyman, and little know how near Deism I am drifting." Stopford Brooke, a Broad Church clergyman who later became a close friend of Green and eventually withdrew from the ministry, met him for the first time in 1865 and then characterized him as "a very gifted man, but in a state of theological 'yeast' which is curious and somewhat painful to see." Green's deep concern for the improvement of the condition of the masses also contributed to alienate him from the prevailing spirit among the clergy, and he came to look upon the Established Church as the ally of the squirearchy in opposing social reform.

Green's career as a practicing clergyman came to an end in 1869. He applied to Archbishop Tait for the position of Librarian at Lambeth Palace, which had become vacant by the resignation of Stubbs, and upon receiving the appointment he gave up his living at St. Philip's and virtually withdrew from the ministry. Much to his satisfaction, there was no outward breach with the Church. He was actuated, no doubt, by a combination of motives—a conviction that he could not in conscience reconcile his religious opinions with the tenets of the Church and that he ought not, therefore, to remain a clergyman; increasing doubt as to whether, apart from his own religious beliefs, his parish work was really worth while; the lure of his old and invincible love of historical study, a love which he had not been able to put behind him and which made his clerical duties seem increasingly irksome; and, probably, a realization that the state of his health imposed limitations upon the scope of his activities. He had already suffered from lung trouble, and before the end of 1869 medical examination showed evidences of tuberculosis. As it turned out, less than fourteen years of life remained to him, and they were passed under a suspended sentence of death.

The satisfaction which Green experienced in relief from parish routine and his joy in the opportunity to pursue his beloved historical studies are apparent in his correspondence.[3]

[3] E.g., in a letter to Boyd Dawkins, April 24, 1869, *Letters of John Richard Green*, ed. by Leslie Stephen (New York, 1901), p. 232.

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Even Broad Churchism had become too narrow for him. He never definitively "left" the ministry, though he soon ceased to be addressed with the usual clerical prefix, and never associated himself with any other form of organized religion. His final position seems to have been essentially that of a deist. He was deeply impressed by Darwin and believed that evolution had made the old theological issues unreal and meaningless. Speaking of *The Descent of Man*, immediately after its publication, he wrote in a private letter in 1871 that "a rational religion" could be reached only "by flinging to the owls and the bats these old and effete 'Theologies' of the world's childhood." These were strange sentiments to be voiced by the Librarian of Lambeth, and Green eventually came to feel that he ought not to retain the office. He resigned in 1877.

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During Green's years as a busy young London clergyman he had found time and energy, somehow, for historical research and writing. When he left Oxford it was his intention to write a history of the Church of England, but his view of the subject was a very broad one, and he came to the conclusion that what he ought to aim at was nothing less than a history of the development of Christian civilization in England. Under date of September 12, 1862, he recorded in a diary his resolve to become "the historian of England." It is easy to smile at this as the grandiose project of a man in his mid-twenties, but Green really was to become the historian of England. He recognized personal deficiencies, the greatest of which in his estimation was a "dislike for abstract thought", which would always tempt him "to subordinate general tendencies to particular events and principles to individuals." But, on the other hand, he believed that he possessed two essential qualifications—willingness to work hard and a love of truth. As it turned out, he did not set to work seriously on a general history of England until after the period of his ministry. Meanwhile a variety of more limited historical undertakings claimed his thought and labor, and during his East End days he exemplified the combination of clergyman and scholar so often found in the Church of England.

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Some work of Green's on Dunstan resulted in a paper which he read at a meeting of the Somerset Archæological Society at Wellington in 1862.[4] Freeman happened to be present and was greatly impressed by the power of historical criticism shown by the young and unknown historian. This was the beginning of a friendship that lasted till Green's death, a friendship in which there was much of mutual aid and influence. Thereafter Freeman, who was Green's senior by fourteen years, made it a point to "blow Johnny Green's trumpet" on every occasion that offered. At a meeting of the same society in the following year Green made the acquaintance of another historian, Stubbs, which likewise ripened into a close friendship. He used to speak of Freeman and Stubbs as his masters, and in the preface to the *Short History of the English People* he expressed his indebtedness to them. No doubt he learned much from both of the older men, but he was no uncritical disciple. In fact, he did not hesitate to take issue with them in published reviews.[5] Freeman, Stubbs and Green were spoken of in their own day as forming a historical school and have been so regarded since. Their historical interests and ideas differed widely, however, and there seems to be little justification for associating them closely in historiography.

The historical project on which Green did most work during the years of his ministry was a history of England in the twelfth and thirteenth centuries. He contemplated a *magnum opus* in three volumes, but he never completed it, though he did not give up hope of doing so till near the end of his life. He was diverted from this enterprise to less congenial work by insistent need of money. The Lambeth Librarianship, and especially his succession therein to Stubbs, gave him a standing in the historical world, but it did nothing to improve his financial status. The office was an honorary one, carrying no stipend, though it left the incumbent ample leisure for work of his own,

[4] "Dunstan at Glastonbury", Somerset Archæological Society's *Proceedings*, 11:122 *et seq.* Reprinted in *Historical Studies* (London, 1903).

[5] E.g., in his review of Stubbs's Inaugural Lecture as Regius Professor of Modern History at Oxford (*The Saturday Review*, March 2, 1867) and his reviews of the successive volumes of Freeman's *History of the Norman Conquest* (*ibid.*, April 13 and 27, 1867; August 15, 22, and 29, 1868; February 3 and 10, 1872).

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and Green, being compelled to look to his pen for support, was forced to undertake writing of a more pecuniarily rewarding kind. Fortunately, however, his labors on the Angevin period were by no means wholly lost so far as the public was concerned. The knowledge gained from his researches stood him in good stead in writing his *Short History,* and he inspired a devoted disciple to labor in the same vineyard. Kate Norgate dedicated her *England under the Angevin Kings,* published in 1887, to Green as her " dear and honoured master " and stated in the preface that her book had been undertaken at his suggestion and in its early stages " directed by his counsels, aided by his criticisms, encouraged by his sympathy."

It was under the spur of financial necessity, and while he was still at St. Philip's, that Green became a contributor to *The Saturday Review.*[6] Freeman introduced him to the editor, John Douglas Cook; and Green's first contribution, a notice of Stubbs's Inaugural Lecture as Regius Professor of Modern History at Oxford, appeared in March 1867. Some of his writings in this journal (the *Reviler,* as he irreverently called it) were articles on historical and topographical subjects; many of them were critical book reviews, such as his extended notices of the successive volumes of Freeman's *History of the Norman Conquest*; some were brief essays in literary appreciation and criticism; some were comments and reflections on affairs of the day; some were by-products of his experiences as a clergyman in the East End; some were literary trifles evoked by the passing scene.

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It was in the year 1869, clearly a decisive one in Green's career, that he proposed to Alexander Macmillan, the publisher, to write a " Short History of the English People ". This, in his own words, " might serve as an introduction to better things

[6] Green's contributions to *The Saturday Review* appeared anonymously, like all others in that journal, but Leslie Stephen identified most if not all of them in the list given in his edition of Green's letters. This numbers more than 150 items published in *The Saturday Review* from March 1867 to January 1874. Many of them were later reprinted in volumes of Green's collected writings: *Stray Studies from England and Italy* (1876), *Oxford Studies* (1901), *Stray Studies,* second series (1903), and *Historical Studies* (1903).

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if I lived, and might stand for some work done if I didn't." Macmillan accepted the offer, giving Green £350 down and agreeing to pay him an additional £100 if 2,000 copies of the book were sold within six months after publication. Such was the genesis of one of the classics in the literature of English history. Green and Macmillan, who had known each other for several years, came to be bound together in an intimate friendship such as does not always exist between author and publisher. The strength of Macmillan's affection for Green is shown by the fact that when the latter lay dying in Mentone, Macmillan spent several weeks there, giving Green and his wife such comfort as he could.

What Green proposed to himself was a volume of moderate compass that might serve as a students' manual, a book for the general reader, and an introduction to more detailed study, emphasizing the social, religious and intellectual, as well as the political, life of the people. His original intention was to bring the narrative down to his own time, though how to end it cost him anxious thought. Actually, as we know, the *Short History* virtually left off with Waterloo, though a very brief Epilogue, less than ten pages in length, summarized a few of the leading events between 1815 and the end of Gladstone's first ministry in 1874. Many years later Mrs. Green wrote a new and greatly expanded Epilogue coming down to 1914, which appeared in a revised and enlarged edition of the *Short History* published in 1916. A briefer "Political and Social Survey" of the hundred years from 1815 to 1914 by R. P. Farley is included in the edition of the *Short History* in Everyman's Library, in which Green's text is reprinted as it was originally published.

For the next few years after the agreement between author and publisher Green's principal occupation was the composition of what he called "Little Book" and, more familiarly, "Shorts".[7] There were many discouragements and vexations, and he might have abandoned the whole enterprise within a year of undertaking it but for his sense of obligation to Macmillan and the encouragement received from a few other friends, especially Freeman and Stopford Brooke. Much of the

[7] "Big Book" was the projected work on the Angevins.

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book was written, as Green said afterwards, "in moments of utter weakness and ill-health, when writing at all was distasteful, and nothing seemed worth taking pains about." Valetudinarian pilgrimages to the Mediterranean in search of sunshine and warmth probably gave him a few more years of life, but they involved serious handicaps for a historian. He spent the winters of 1870-1871 and 1871-1872 mainly at San Remo and the winter of 1872-1873 in Capri, separated from his own books and remote from the facilities of larger libraries. He actually came to the point of considering a permanent residence, with his books, in Capri, with summer holidays in England.

Green was a facile writer. Many of his contributions to *The Saturday Review* were turned out under high pressure and at top speed. As a historian, however, he took great pains with his composition—correcting, condensing, rewriting till it seemed that the work of revision would never come to an end. Readers of the *Short History* who are inexperienced in the art of writing would never suspect this, so lucid and easy and flowing is the narrative as we now read it. Letters to intimate friends, however, show how self-critical and laborious he was.

The *Short History of the English People* was published late in 1874. Its success was immediate and enduring—far beyond the fondest hopes of author or publisher. There had been nothing to compare with it in English historical literature since Macaulay. One reviewer wrote that Green had "seemingly extinguished every rival", and another called the "extraordinary popularity" of the book "one of the most curious literary phenomena of the day." It was quickly adopted widely as a school textbook, and "hundreds of thousands of all ages", to quote G. P. Gooch, "became for the first time intelligently interested in the history of their own country." It was Green's ambition to supersede Hume, whose conception of English history he regarded as seriously defective, and he succeeded in doing so, for it was the *Short History* that eventually drove the various abridgments of Hume's *History* from the field. Bryce remarked that it was "philosophical enough for scholars, and popular enough for schoolboys." Its sales were phenomenal in the United States as well as in Great Britain. In addition to

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financial reward it brought Green reputation and the acquaintance of many distinguished historians and men of letters.

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Among the factors to be taken into account in attempting to explain the immense and lasting popularity of the *Short History* prominence must be given to the literary power and charm which it exhibited. Green's friends were impressed by the essential literary character of the man. Leslie Stephen spoke of " the strong sense of literary form ", which was conspicuous in all his work ", Mandell Creighton referred to his " passion for fine form ", and Bryce recalled that he could not refrain from giving literary character to everything. " He could not tell an anecedote or report a conversation without unconsciously dramatising it, putting into people's mouths better phrases than they would have themselves employed."

Buffon in his famous *Discours sur le style* described style as " the order and movement which we put into our thought." That is to say, style, in Buffon's conception of it, does not exist in the thoughts themselves, and, as the literary and art critic W. C. Brownell remarked in his *Genius of Style,* " it is lacking in their expression in proportion as this is either disorderly or static." Green was distinctly a stylist in the Buffonesque sense of the word. He took great pains with order and movement.

The best evidence of order in the *Short History* is the general conceptual plan of the work and the resultant organization of its contents. Green's aim being, as he stated in his preface, to emphasize " the incidents of that constitutional, intellectual, and social advance in which we read the history of the nation itself ", he broke sharply with historiographical tradition. This was most apparent in his scheme of periodization, which was not according to reigns or dynasties, as in the older manuals, but according to what he regarded as epochs in the continuous life of the English people. In the organization of materials his plan called for radical departures from the framework of English history on which earlier texts, such as *The Student's Hume,* had been constructed. He did violence to conventional chronological arrangements and disrupted reigns in a way that seemed little short of scandalous to those who had learned their Eng-

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lish history once and for all and resented any tampering with its ground plan. One of Green's few hostile reviewers spoke of his chapter arrangements as "strange vagaries", and another found his chronology "hideously disorganized". Green anticipated criticism of this kind and was not disturbed by it. He realized that there is no sacrosanctity, and no absolute objectivity, in definite divisions and periods in history—that they are justified only as means of attaining greater clarity and coherence, as conducive to order and movement.

As for movement, Buffon's second element in style, the *Short History* is instinct with it. The bent of Green's mind, his invincible interest in causation, was a sufficient guarantee against staticism in his historical writing. With him, as he said in a letter to Freeman, "the impulse to try to connect things, to find the 'why' of things", was irresistible—"when I find facts which won't tell or even hint their 'why' I find I lose all pleasure in working. . . ."

Freeman, at Green's request, read and criticized the *Short History* when it was in printer's proof, and from much of his advice Green profited. But when Freeman found fault with him for omitting incidents and for his organization of subject matter, Green felt obliged to stand his ground. He did so in a letter from which the following sentences are quoted. They show his realization of the existence of the subjective element in history-writing as well as his concern for order and movement. After thanking Freeman for pointing out faults which he could correct, he went on:

> But there are other "faults,—if faults they are,—which I can hardly correct unless I wholly alter my conception of the book, and indeed of history. One is the suppression or omission of facts which appear to me to have no historic value. . . .In the same way the "putting things out of their place" means, I suppose, putting things out of the place they have hitherto occupied in common histories. But then my *plan* is in many ways different from that of common histories. . . .But if my *plan* be right, they are *in* their places; and if my plan is wrong, then the book is wrong from beginning to end. . . .I give English History in the only way in which it is intelligible or interesting to *me*, but it does not follow that others will find my rendering of it inter-

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> esting or intelligible. . . .If I don't always follow your advice it is because Little Book (having been conceived in sin) won't always let me.[8]

On the subject of omissions in the *Short History*, a number of reviewers remarked upon its neglect of literature after the Restoration. Henry Adams, for example, regretted that the novel had been ignored and no mention made of Pope, Gray, Horace Walpole, Hume, Gibbon, or Johnson. Green undertook to meet such criticism as this. Confronted with the necessity of finishing the book within a certain limit of space, he realized that something must be left out, and came to the conclusion that literature after 1660 could best be sacrificed. As he wrote to Freeman, he deliberately "turned away from Sir Roger de Coverly and the *Rape of the Lock* to cotton-spinning and Pitt's finance." In his later and larger *History of the English People*, the four volumes of which were published one a year from 1877 to 1880, he found space for literary developments after the Restoration.

As a literary man, Green took it for granted that books ought to be readable, and, like Macaulay, he worked hard and successfully to make his *History* readable. He knew, and here also like Macaulay, that indefatigable research and insatiable note-taking are not enough. "Any one can read", he used to say, "anybody of decent wits can accumulate notes and references; the difficulty is to *write*—to make something!" He knew that intelligibility and simplicity are essentials in readability, and he conscientiously tried to maximize them, even

[8] A remarkable instance of Green's power of literary construction was related by Mrs. Humphry Ward (*A Writer's Recollections*, I, 193-194). Recalling an occasion on which she had submitted to him something she had written on English literary history, she said: "He was entirely dissatisfied with it, and as gently and kindly as possible told me it wouldn't do and that I must give it up. Then throwing it aside, he began to walk up and down his room, sketching out how such a general outline of English literature might be written and should be written. I sat by enchanted, all my natural disappointment charmed away. The knowledge, the enthusiasm, the *shaping* power of the frail human being moving there before me—with the slight, emaciated figure, the great brow, the bright eyes; all the physical presence instinct, aflame with the intellectual and poetic passion which grew upon him as he traced the mighty stream of England's thought and song—it was an experience never forgotten."

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at a high cost in worrisome effort. In the laborious work of revision he constantly had in mind the danger of presupposing too much knowledge on the part of his readers, a danger all the harder to guard against in a book intended both for students and for general readers. He cultivated simplicity, which, he used to say, was half of good English. Stubbs spoke of "the wonderful simplicity and beauty of the way he tells his tale." He knew that there is no royal road to good writing. "The true way to write well", he said, "is to write constantly,—ease of style can only come by habit; and grace of style can only come of ease." Henry Adams predicted that, while the advance of historical knowledge would diminish the value of the *Short History* as a statement of fact and interpretation, nothing would ever destroy "its elevation of tone or its beauty of style."

The picturesque quality of the *Short History* undoubtedly had much to do with its success. Green was endowed to a remarkable degree with a capacity for experiencing intensely, and this, in a literary man, made for vivid and lifelike description. "When he travelled", said Bryce, "nothing escaped his quick eye. . . .When he went out to dinner he noted every person present." Freeman was impressed by his acute topographical sense. Places invested with historic interest always fascinated him. In the *Short History,* to be sure, Green could not find space for much description of places. Topography figures in it much less than in his later books, *The Making of England* and *The Conquest of England,* in which he was able, by reference to the physical geography of early England, to throw light on such matters as the routes taken by the Anglo-Saxon invaders and the nature of the obstacles they encountered.[9]

The *Short History,* however, abounds in vivid thumbnail sketches of personality and character, for Green, though preeminently a social and cultural historian and avowedly no champion of the "great man" school of history, was not neg-

[9] It has been said of Green that he was "among the first English historians to write with his eye upon the map." W. G. Addison, *J. R. Green* (London, 1946), p. 93. Green's interest in geography and his appreciation of its conditioning relationship to history is shown in his *Short Geography of the British Islands* (London, 1879), written in collaboration with his wife.

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lectful of the rôle of individuals in the course of human events. He had nothing of the statistician's impersonal approach to historical questions. On the contrary, he regarded memoirs and biographies as "the feeders of history." The dramatic possibilities in biography appealed to him strongly, and he believed that the historian should avail himself of them.[10] He gave Kate Norgate this advice regarding her treatment of Fulk the Black of Anjou:

> *Seize your man.* Try to picture him to yourself in all his fierce greed and activity and ruthlessness and craft. Help yourself by using the legends about him—telling them *as* legends, disproving their historical accuracy, if it be needful, but gathering from them the conception of character which after days formed of him, and using them as *colour* for your picture.

Fault may no doubt be found with the historicity of some of the character sketches in the *Short History*—with the sketch, for example, of Fulk's descendant King John—but nobody has asserted that they lack color.

Picturesqueness in writing is impossible without imagination, and Green remains a leader in that school which hold that the past cannot be recaptured without what Mrs. Humphry Ward called "the kindling and welding force that a man draws from his own spirit." Bryce, while recognizing Green's capacity for critical work of a high order in the testing of historical sources and the sifting of evidence, considered him to be distinctively representative of the imaginative type of history of which Herodotus remained the arch-exponent; and Bryce regarded as a virtue in a historian the possession of the imaginative capacity in sufficient measure "to let him feel the men of other times and countries to be living and real like ourselves", and to show him "a large and crowded picture of a distant world as a world moving, struggling, hoping, fearing, enjoying, believing, like

[10] While Green was working on the *Short History* he agreed to start a series of historical biographies for Macmillan, believing that it would do much for the historical education of the English people. "The world", he once wrote in counseling a younger friend, "moves along not merely by the gigantic shoves of its hero-workers, but by the aggregate tiny pushes of every honest worker whatever." In writing the *Short History* he was constantly conscious of the tiny pushes, but he did not forget the gigantic shoves.

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the world of today—a world in which there is a private life infinitely vaster, more complex, more interesting than that public life which is sometimes all that the records of the past have transmitted to us." For evidences of Green's imaginative capacity one need only see the *Short History, passim.* A good instance of it is the piece of glowing prose at the opening of the chapter on Puritan England, in which he describes the social and moral results of the popular reading of the Bible.

An anonymous reviewer of the *Short History* attributed much of its appeal to the author's sympathy with classes to which the majority of historians had paid little attention. Whatever austere historianship may have to say against bias in the writing of history, there is no doubt that the public has always liked it—if it is the variety of bias that happens to be in vogue at the moment. Green was aware of his own libertarian and democratic sympathies, and, if he made little or no effort in the *Short History* to guard against their tendency to lead to anachronisms and distortions in his treatment of the past, being indeed hardly, if at all, conscious of this tendency, most of his readers liked him the better for it. In the conflicts between English kings and their subjects the bulk of his readers were instinctively on the side of the opposition, and so was Green. One of the few unfriendly critics of the *Short History* called it a democratic manifesto which idealized the English people and despised their rulers, and if there was exaggeration in this judgment, there was also more than a grain of truth in it.

Green wrote at a time when the plain people of England were beginning to come into their own. "Now we must educate our masters", Robert Lowe is said to have exclaimed in a speech on the Reform Bill of 1867.[11] Education was making inroads upon illiteracy, and plain people of the day were interested in reading about plain people of past days—Wat Tyler's peasants, for example, and the crowds that paraded and shouted and rioted for "Wilkes and Liberty". The preface to the *Short History* began with a statement that the book was "a history, not of English Kings or English Conquests, but of the English

[11] What he actually said was something much less effective rhetorically: "I believe it will be absolutely necessary that you should prevail on our future masters to learn their letters." *Hansard's Parliamentary Debates,* 3rd series, 188:1549.

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People." No individual is the hero of the book, as William III is the hero of Macaulay's *History*—no poet or philosopher or statesman or king. Green's hero is the English People, whom, in a recent incarnation, he had known so well in the East End of London.

Green was not, of course, the first writer of history, or even the first writer of English history, to assert the importance of social history, and he never pretended to be. He knew his Voltaire and Hume and Palgrave and Macaulay too well to forget that they had at least professed the faith he tried to live by; and ten years before the publication of the *Short History* there had appeared a work in eight volumes entitled *The Popular History of England: An Illustrated History of Society and Government from the Earliest Period to Our Own Times.* The author, Charles Knight, had for many years been engaged, as writer, editor and publisher, in producing low-priced reading matter for the education and edification of the people. In the Introduction he declared that the time had come to put the people in the foreground of the historical narrative. This was clearly an anticipation of Green's attitude, but Knight's voluminous effort, whatever its merits, had none of the literary charm of the *Short History,* and owing to its dimensions, if for no other reason, it could not displace the abridgments of Hume and his continuators in which English schoolboys still learned, and adults reviewed, their English history.

* * * * *

Amid the general acclaim that greeted the *Short History* there were a few dissenting voices. Not only were many errors, both of the pen and of the press, pointed out—in favorable as well as in unfavorable reviews—but some weighty adverse judgments were registered.

It was not to be expected that a book of such extensive chronological scope and variety of subject matter would be wholly free from misstatements, misquotations, and inconsistencies, even if the writing had been done under conditions more conducive to meticulous accuracy. Green himself and his friends discovered a good many of them, and reviewers called attention to others.

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A hostile critic in *Fraser's Magazine*, in a review which was itself not entirely blameless on the score of accuracy, drew up a formidable bill of particulars, enumerating errors caused, he said, by carelessness or ignorance, misquotations and misprints, some of which had been pointed out in earlier reviews.[12] He considered it "discreditable to English criticism" that such a defective book, one that contained "as much gross blundering as would suffice for a whole historical library", had been welcomed with "well-nigh rapturous admiration." The critic was a teacher of English history and English literature in a public school in Monkstown, County Dublin—James Rowley by name. He had hoped, so he informed his readers, to be able to use the *Short History* as a textbook but had been sadly disappointed in it. Before sending his review to *Fraser's*, he had offered it to the *Fortnightly Review*, but the editor, John Morley, declined it, advising the writer to send it to Green as a list of corrections for the next edition of his book. Green profited from these and other criticisms; and mistakes and misprints were corrected in later reprints and editions. It would be wrong, however, to give the impression that Mr. Rowley confined himself to compiling lists of *errata*. He spoke of omissions, exaggerations, overfondness, as he thought, for literary effect, and a rhetorical impulse to say too much, which he regarded as Green's besetting sin.

Henry Adams reviewed the *Short History* for the *North American Review*.[13] He found much ground for praise, but he also found some fundamental defects in the book, partially, at least, attributable to difficulties inherent in the writing of a compendious history of England—difficulties that forbade complete success and made it almost a matter of regret that "the highest order of mind" should attempt the task. So far as historical scholarship was concerned, Green was most at home in the Middle Ages, yet Adams felt that he had not succeeded,

[12] This review was published in two parts, in the issues of *Fraser's Magazine* of September and December 1875. The first part dealt with matters of detail; the second part contained criticism of a more general character.

[13] Vol. 121, pp. 216-224 (July 1875). This review was published anonymously, but it is listed in the "Bibliography of the Writings of Henry Adams" in James Truslow Adams' *Henry Adams* (New York, 1933), p. 219.

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even though it were no fault of his, in getting inside the medieval mind:

> Since the fifteenth century the conditions of life have been tolerably uniform, so that any one now living may be supposed capable of entering without great effort into the thought, language, and manners of these centuries. But the life of England from the fifth century to the fifteenth is almost purely an antiquarian study. . . .In spite of the labors of Sir Francis Palgrave, Mr. Freeman, and Professor Stubbs, early English history has by no means said its last word, and the harvest is still rich to the gleaner. And if this is the case with Saxon England, which has been so thoroughly and carefully worked over. . . , what can be said of Norman and Angevin England? What of Lancastrian and Yorkist England? There are long gaps of frightful ignorance, wide chasms . . . across which Mr. Green leaps as he best can. . . .For a long time yet the antiquarian must here be of more value than the generalizing historian; the editor must precede the narrator; the microscope will be a more valuable instrument than the field-glass. Sheer antiquarian drudgery . . . can alone bring those ages to life, restore their modes of thought, their manners, and the logical sequence of their steps.

It did not escape so discriminating a critic that the latter part of the *Short History* gave evidences of decline—of waning interest on the author's part, of haste, and perhaps of fatigue. And it could hardly have escaped any descendant of John Adams that the sections dealing with New England and the American Revolution showed "only superficial study" and that Bancroft's *History* was the only work of American authorship referred to. But worse than this, the suspicion of a lack of ripe scholarship on Green's part was not confined in Adams' mind to things American, for "if the American, who is a specialist in regard to the American portion of the book, detects in an instant, that Mr. Green is not a specialist there, the probability is strong that specialists elsewhere will reach the same conclusion in their own peculiar fields."

More penetrating than the animadversions of Mr. Rowley and even more weighty in some respects, I think, than the judgments of Henry Adams was a long critique which appeared in *The Quarterly Review* in April 1876. Like all the *Quarterly's*

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articles it was published anonymously, but anybody capable of reading it with understanding must at once have recognized the hand of a learned and thoughtful historian. The writer was John Sherren Brewer, and the review was reprinted in a volume of his essays published a few years later.[14] Brewer was a clergyman of the Church of England and Professor and Lecturer in Modern History at King's College, London. His most important historical work was in connection with the preparation of a monumental calendar of the state papers of Henry VIII, an arduous enterprise which he undertook at the commission of the Master of the Rolls in 1856. He brought out four volumes of this work under the title of *Letters and Papers, Foreign and Domestic, of the Reign of Henry VIII,* the first volume of which was published in 1862. Brewer, however, was no narrow specialist. The editor of a new edition of *The Student's Hume,* a textbook widely used in English public schools and colleges, originally published in 1858, secured the services of Brewer, as the scholar possessing "an unrivalled knowledge of *all* periods of English History", in the work of revision.[15]

The remainder of this section of the present article will be devoted to a consideration of questions raised by Brewer in his review of the *Short History.* The more important of these have to do with Green's historical interpretations, both of English history and of history in general.

Among nineteenth-century historians of England Green was the most widely read champion of the Germanic theory of English origins. This theory was not, of course, original with him. It had received perhaps its most sweeping assertion in the first volume of Freeman's *History of the Norman Conquest,* which

[14] *English Studies or Essays in English History and Literature* (London, 1881). Leslie Stephen in his edition of Green's letters makes no reference to this review and gives the impression that the review in *Fraser's* was the only exception to the favorable judgments pronounced on the *Short History.* Green himself says nothing about the review in the *Quarterly* in those of his letters published in Stephen's edition, but it seems very unlikely that he did not read it.

[15] *The Student's Hume: A History of England ... Based on the History of David Hume ... Continued to the Treaty of Berlin in 1878,* new edition, revised and corrected by J. S. Brewer, M.A., Late Professor of Modern History and English Literature, King's College, London ... (New York, 1881).

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was published in 1867. The statement there made was that "the Celtic inhabitants of those parts of Britain which had become English at the end of the sixth century had been as nearly extirpated as a nation can be." And Freeman, good patriot that he was, could find reason for rejoicing in this assumed extirpation since, to his mind, it had made possible that unique and peculiarly excellent product of providential evolution, the Victorian Englishman. Green, like Freeman, was not content to argue that the language, institutions, and general culture of the English people in Anglo-Saxon times were Germanic in origin. He insisted that the same was true, racially, of the English people themselves. He raised his Germanic racial standard in the very first sentence of his first chapter, and he never lowered it afterwards in any of his writings: "For the fatherland of the English race we must look far away from England itself." We must look, he went on to say, to what he called an "older England" in Denmark, Schleswig, and northwestern Germany as the cradle of the race. For Green, as for Freeman, those remote ancestors of theirs were a fierce and furious folk, though Green, less sure perhaps than Freeman that all was for the best in the state of Victorian England, did not record positive gratitude for their ferocity.

> The victory of Aylesford . . . struck the key-note of the whole English conquest of Britain. The massacre which followed the battle indicated at once the merciless nature of the struggle which had begun. . . .The priests were slain at the altar, the churches fired, the peasants driven by the flames to fling themselves on a ring of pitiless steel. It is a picture such as this which distinguishes the conquest of Britain from that of the other provinces of Rome. The conquest of Gaul by the Frank, or of Italy by the Lombard, proved little more than a forcible settlement of the one or the other among tributary subjects who were destined . . . to absorb their conquerors. French is the tongue not of the Frank, but of the Gaul whom he overcame; and the fair hair of the Lombard is now all but unknown in Lombardy. But the English conquest for a hundred and fifty years was a sheer dispossession and driving back of the people whom the English conquered. In the world-wide struggle between Rome and the German invaders no land was so stubbornly fought for or so

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> hardly won. . . .But it was just through the long and merciless nature of the struggle that of all the German conquests this proved the most thorough and complete. So far as the English sword in these earlier days reached, Britain became England, a land, that is, not of Britons, but of Englishmen. . . .When the steady progress of English conquest was stayed for a while by civil wars a century and a half after Aylesford, the Briton had disappeared from half of the land which had been his own.

This is English prose on a high level. But it does seem that Green's historical imagination failed him on this question of the origin of the English people. For if any conjecture concerning what went on in that dark age that followed the end of Roman rule in Britain can be made with a very high degree of probability, it is that many of the Britons survived and intermingled with their conquerors to produce the English people of Alfred's day—and Greene's.

Brewer rejected Green's interpretation of the Anglo-Saxon conquest of Britain as a cataclysm that swept all before it, and endorsed the contrary view as set forth in historical writings by Charles H. Pearson,[16] in the preparation of which he had given the author assistance. Pearson found no good evidence whatever for the opinion that the Celtic inhabitants of Britain had been exterminated or driven off, and his common sense revolted against the notion that the population of a Roman province could have been slaughtered or made homeless by some boatloads of invaders. " The Saxon conquest. . .", he said, " only added a new element to what it found. The Saxon state was built upon the ruins of the past." Brewer agreed with Pearson regarding Celtic influence on English life. He believed that it had been marked and permanent, " only Mr. Stubbs and Mr. Green chose to look for it where it is essentially weakest, in constitutional order and progress."

The Germanic theory of English origins has been intimately related to, has been largely a result of, the doctrine of primitive Germanic liberty and democracy, and this doctrine was accepted by Green with equal confidence. Speaking of the Anglo-

[16] *The Early and Middle Ages of England* (London, 1861) and *History of England during the Early and Middle Ages* (two volumes, London, 1867).

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Saxon witan, he said: "Practically the national council shrank into a gathering of the great officers of Church and State with the royal thegns, and the old English democracy passed into an oligarchy of the closest kind." Brewer took strong exception to the idea that English society was originally democratic. "Mr. Green's assumption of a democratical element in our earliest constitution", he wrote, "colors his whole history, and affects his treatment of it throughout." This belief of Green's, which he shared with many others, illustrates an attitude on his part toward history in general which will be considered later.

Another major interpretation in the *Short History* to be rejected by Brewer was Green's conception of the "New Monarchy", a term which Green had coined to designate the system of government that existed in England from the late fifteenth to the early seventeenth century. Green looked upon this system as a despotic intrusion between two historical strata of constitutional government, a strange interlude in English political and constitutional history. Like friends of reform in general, he tended to see golden ages in the past—if it was far enough past—and like the legal antiquaries of the Puritan Revolution he exaggerated the modernity of the medieval English constitution. He believed that what the Great Rebellion actually accomplished was "to wipe away every trace of the New Monarchy, and to take up again the thread of our political development just where it had been snapt by the Wars of the Roses." Brewer dissented at considerable length from this conception of English history. He believed that Green had been misled by Coke and the lawyers of the Long Parliament, who saw no differences between parliament in the Middle Ages and in the seventeenth century, that he, like them, had retrojected ideas of his own time into the past. Brewer's studies led him to the opinion that in the constitutional conflicts of the Puritan Revolution "the real innovators were the lawyers and Parliaments of the Great Rebellion", and that "the real Conservative of the old lines of the Constitution was the King himself." It was the Commons of 1640, he declared, who were establishing a New Monarchy. Here, as elsewhere in his review, Brewer was virtually accusing Green of reading modern

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ideas into medieval minds. To this criticism of the *Short History*, the most comprehensive and the most profound, I think, to be made of it, we shall return presently.

Thus Green and Brewer, holding the views they did, were bound to be antipathetic in their approaches to the history of the Puritan Revolution. In the controversies of that period each side claimed to be orthodox, in politics as well as in religion, and each sought to fasten the stigma of novelty and innovation upon its opponents. These antagonistic attitudes were reflected in the pages of the *Short History* and its most formidable review, respectively. Green wrote as a parliament man, Brewer as a royalist, and in their interpretations of the political character of Charles I, of Ship Money, of the early activities of the Long Parliament, and of other incidents and aspects of the great conflict they were poles apart.[17]

The "culminating injustice" of the *Short History* Brewer found in its treatment of George III, who was represented as having been personally responsible for the loss of the American colonies and "the shame of the darkest hour of English history." There was, in Brewer's judgment, no justification whatever for Green's interpretation. He had written, "not like a grave historian, but as a partisan of Wilkes, Beckford, and Junius—as if he had been poaching on their preserves for the choicest flowers of violent and vulgar rhetoric."

Broader than Brewer's objections to particular interpretations in the *Short History* was his protest against what he took to be the general tenor and teaching of the book. He found it to be marked by hostility to the monarchy, the aristocracy, and the Church of England, and by sympathy for the advocates of disorder and the champions of revolution. He was really accusing Green of carrying on insidious anti-monarchical, anti-aristocratic, and anti-religious propaganda under the disguise of a history textbook; but it seems fair to infer from what he said that he objected to it not because it was propaganda but because it was anti-monarchical, anti-aristocratic, and anti-

[17] Dr. Esmé Wingfield-Stratford's recently published *Charles, King of England, 1600-1637* (London, 1949), which is an apologia for the royalist cause, may serve to remind us that in dealing with the Puritan Revolution partisanship dies hard.

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religious. He evidently had no quarrel with school histories the tendency of which was to make young Britons more loyal to the monarchy, more deferential to the aristocracy, and more reverent to the Church. This is merely to remark that, like most critics, he was not conscious of the beam in his own eye. But the *tu quoque* rejoinder is never a conclusive refutation.

Some of Brewer's criticisms went beyond the field of English history and had to do with Green's traits and ideas as a historian in general. Thus in the case of the imaginative faculty, which so many have found admirable in Green, Brewer was more impressed by its dangers for the historian than by its virtues. He admitted that it gave color to dry details, where a more scrupulous or conscientious writer would have wearied himself, and fatigued his readers, unwilling to venture beyond the arid region of facts", that it made for interesting reading matter, and "every one nowadays demands that whatever else history may be it shall be made interesting." Carlyle, with his unmeasured contempt for "dryasdusts", had done much to exalt the imaginative type of historian, but Brewer, for his part, regretted this. Even in histories written for mature and judicious readers "the baseless suggestions of the imagination" ought not to intrude upon "the strict province of fact", and in history books intended for the young and uncritical, given to unquestioning acceptance of what schoolbooks and teachers told them, the results of the imaginative writing of history might well be deplorable.

One of Green's major aversions was military history. He wrote in the preface to the *Short History:*

> Whatever the worth of the present work may be, I have striven throughout that it should never sink into a "drum and trumpet history."[18] It is the reproach of historians that they have too

[18] Green was indebted for this phrase, which he made famous, to Walter Waddington Shirley, who edited for the Rolls Series *Royal and Other Historical Letters illustrative of the Reign of Henry III, from the Originals in the Public Record Office.* In the preface to volume I of this publication, which appeared in 1862, Shirley remarked that to "a drum and trumpet historian" the first twenty years of the reign of Henry III were not exciting, though really they were of critical importance. Green in his review of volume I of Freeman's *History of the Norman Conquest* (*The Saturday Review,* April 13, 1867) said that it ought not to be classed with

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> often turned history into a mere record of the butchery of men by their fellow-men. But war plays a small part in the real story of European nations, and in that of England its part is smaller than in any. The only war which has profoundly affected English society and English government is the Hundred Years' War with France, and of that war the results were simply evil.

This was strange doctrine, whether one liked drum and trumpet history or not, and Brewer would have none of it. As he read the past, there was no nation to which war had been more important, and on the whole more beneficial, than to England. And, though Brewer did not make this point, Green himself, in his text, could be summoned to testify against Green, in his preface. For did not English history begin with the prolonged "butchery of men by their fellow-men"? Could Green really have meant that the Norman Conquest had no important effects on English society and government, that the civil wars of the seventeenth century made little difference in the course of English history, or that the British Empire would have been what it was without fighting?[19] Later on Green himself came to the conclusion that military history had a certain pedagogical value, though he never retracted, so far as I know, what he had said about its fundamental unimportance.

Brewer's most important criticism has already been suggested. The *Short History*, in his judgment, was shot through with and vitiated by the false assumption that a democratic element existed in the earliest English polity. Misled by Coke and other parliamentarians of the seventeenth century, Green had exaggerated the importance and the modernity of the medieval

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"the mere 'drum and trumpet histories' which Dr. Shirley so pungently denounced". In a letter to Freeman (October 30, 1873) he wrote: "You people who 'delight in war' never care for anything but drums and trumpets! However, you are better than the rest, for you do take an interest in two other things besides, to wit, bishops and strumpets."

[19] Among recent English historians Sir Charles Oman took sharp exception to Green's ideas about war, which he attributed to his "humanitarian and pacifist prejudice." For his criticism of Green, see his *On the Writing of History* (New York, 1939) and *Memories of Victorian Oxford* (London, 1941).

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House of Commons; and, influenced by the modern idea that popular representation in the literal sense lay at the root of the English constitution, he had supposed that constitutional progress at all times depended on the free development of representation. All this came to saying that Green was anachronistic in retrojecting modern ideas and points of view into the past, that his work as a historian was marred by the historiographical defect of after-mindedness.

The validity of this charge cannot, I think, be gainsaid, however greatly the charge might have surprised Green and even though it could have been made with equal justification against many other historians. What Brewer was objecting to has probably been the most persistent, as it has been the most distorting, factor in historiography. There was a kinship, doubtless unsuspected by Green, between himself and those "legal and constitutional antiquaries" of whom he had spoken in one of his early book reviews, "whose Whig and Tory battle-ground had gradually drifted back from the Parliament of Edward to the Witanagemot of Ethelred." In presenting his indictment, Brewer anticipated some of the conclusions of later historical scholarship. He did not need Maitland to tell him that Coke was no safe guide in the labyrinths of English legal and constitutional antiquities, that the "oracle of the law" went to history, not as a single-minded inquirer to learn the truth about the past, but as a partisan to find weapons with which to fight legal and political battles of his own day. It was putting it mildly to say, as Brewer did, that Coke "made use of language which will not endure the test of strict historical criticism." Brewer's anticipations of the findings of later scholarship was most striking in what he said about the position of the commons in medieval parliaments:

> The Long Parliament lawyers never could, or never would, disabuse their minds of the notion that Parliament before the Tudors and after was identical. Parliament in the earlier period meant the Great Council, to which the Commons were assistant but were not necessary. Parliament in the Stuart time meant, in the minds of the Commons, the exact reverse. As late even as the 6 Edward III, Parliament remained sitting when the Commons had left.

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The opinion that the commons were not an essential element in early parliaments has been amply supported by recent investigation. The late Professor William A. Morris, one of the editors of a comprehensive work on English government in the first ten years of the reign of Edward III, a work based on the most thorough and painstaking research, stated that from the official point of view parliament was at that time regarded as "a meeting of the king and his council", that the principal rôle of the commons in official parliamentary proceedings was "appearance before king and council to receive information and instruction or to make response", that the procedure and deliberations of the commons, even upon matters of taxation, "are never described in the rolls of parliament, which record only what occurs before the older and more dignified body of magnates", and that the commons may be "dismissed and the council continued in session." To substantiate this last statement Professor Morris cited the Parliament Roll of 1332, the sixth year of the reign of Edward III, which was without doubt the authority that Brewer had relied upon.[20] In 1893, nearly twenty years after Brewer wrote his review, Maitland pointed out, in the great essay which was the starting point in modern scientific study of medieval parliaments, that in the early fourteenth century a meeting of the king and his official council, without the presence of the commons, even without the presence of the magnates, was described in the roll as a "full" parliament.[21] As a matter of fact, the commons were summoned to only a small minority of the parliaments convoked during the reign of Edward I, and, as one of the leading authorities on early parliaments has recently reminded us, the parliaments at which they were present possessed no greater legal powers than those from which they were absent.[22]

[20] *The English Government at Work, 1327-1336*, ed. by James F. Willard and William A. Morris, vol. I (Cambridge, Mass., 1940), Introduction (by Morris), pp. 13-14.

[21] Introduction to *Memoranda de Parliamento*, ed. by F. W. Maitland (Rolls Series, 1893); *Maitland: Selected Essays*, ed. by H. D. Hazeltine, G. Lapsley, P. H. Winfield (Cambridge, 1936), pp. 14-15.

[22] G. O. Sayles, *The Medieval Foundations of England* (London, 1948), p. 456.

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Green was a leading champion, and unquestionably one of the most influential, of the Whig interpretation of English history, which itself has had a long and interesting history. The Whig interpretation, in its essentials, is far older than the Whigs—unless one is prepared to agree with Dr. Johnson that the Devil, being the earliest rebel against duly constituted authority, was the first Whig. Reversing chronological sequence, we may note among the exponents of the Whig interpretation before Green: Macaulay and other less famous critics of Hume's Tory interpretation; [23] Rapin, the Huguenot follower of William III, whose defense of the parliamentary cause in the seventeenth century was to be replaced by Hume's defense of the Stuarts; [24] Coke and the other legal antiquaries of the Puritan Revolution, who were always able to show, to their own satisfaction, that antiquity was on their side and to place the stigma of "innovation" upon their opponents; [25] Sir John Fortescue, the Lancastrian partisan, who attributed the distinctive merits of the English constitution in the late Middle Age to the peculiar virtues of the English common law; [26] and the writers of the St. Albans chronicle, especially its founder, Roger of Wendover, and his great pupil and continuator, Matthew Paris, whose sympathy for the barons in their conflicts with the monarchy had great influence upon later interpretations of English medieval constitutional history.[27]

[23] Among these were Joseph Towers, *Observations on Mr. Hume's History of England* (London, 1778), and George Brodie, *A History of the British Empire, from the Accession of Charles I to the Restoration; With an Introduction, tracing the Progress of Society, and of the Constitution, from the Feudal Times to the Opening of the History; and including a Particular Examination of Mr. Hume's Statements relative to the Character of the English Government* (4 vols., Edinburgh, 1822).

[24] Rapin's *L'Histoire d'Angleterre*, extending from the Roman invasions of Britain to the death of Charles I, was published in eight volumes in 1724 and was soon translated into English.

[25] Robert Livingston Schuyler, "The Antiquaries and Sir Henry Spelman", *Proceedings of the American Philosophical Society*, 90:98 *et seq.* (May 1946).

[26] *Sir John Fortescue, De Laudibus Legum Anglie*, ed. and trans. by S. B. Chrimes (Cambridge, 1942), pp. xxxix, ci-cii.

[27] Roger of Wendover gave definite shape to the legend of King John as the sum of all villainies, a legend which Green need not have accepted as uncritically as he

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The Whig interpretation of history is such a good illustration of something much more general, much more persistent, and much more important in historiography that it has been used as a nickname for the whole species of which it is only a single member. Some years ago there was published a little book by Professor Herbert Butterfield of Cambridge University bearing this title—*The Whig Interpretation of History*—which attracted less attention than it deserved. Its theme was this more general element in historiography, which may be called present-mindedness in the interpretation of the past. The antithesis of "Whig" interpretation, as the term was used by the author, was not Tory interpretation but past-mindedness, or historical-mindedness. How is this "Whig" interpretation to be accounted for? All historians, as human beings, have of course been influenced, consciously or unconsciously, by their environments, and many of them have been men of affairs, actively interested in the conditions and problems of their own day. Their views of the past, as we have been told so often, have unquestionably been affected by their concern with the present. But there is another factor, emphasized by Mr. Butterfield as necessary to be taken into account in explaining "Whig" interpretation. It is a leading thesis of his thoughtful and stimulating essay that the very act of summarizing and abridging history makes for "Whig" interpretation, that this interpretation inserts itself "at the change of focus that we make when we pass from the microscopic view of a particular period to our bird's-eye view of the whole." The general historian and textbook writer, needing some yardstick for measuring the significance of past events, is impelled almost irresistibly to adopt the fallacious principle that what

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did. In the words of a present-day authority on the St. Albans chronicle: "Wendover fixed the tradition once and for all for his continuators. The 'constitutional attitude' which marks the St. Albans history to the very end was first set out by him. Henceforth for two centuries the St. Albans history is, as it were, an *apologia pro baronibus*. . . .Like the Whig interpretation of history in modern times, the constitutionalism of the St. Albans historians has exerted a great and continuous influence on the modern interpretation of our medieval history." V. H. Galbraith, *Roger Wendover and Matthew Paris* (Glasgow, 1944), pp. 17 *et seq.*

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seems important from the viewpoint of his own day was actually important when it happend. The present is his *terminus ad quem,* and the present—with its dominant interests, its insistent problems, its values, and its standards—tends to become an absolute by which the past is to be interpreted and judged. Mr. Butterfield went far, yet I think not much too far, when he said that " the study of the past with one eye, so to speak, upon the present is the source of all sins and sophistries in history, starting with the simplest of them, the anachronism . . . it is the essence of what we mean by the word ' unhistorical.' "

* * * * *

In reviewing criticisms of the *Short History* attention has been directed purposely to those that were contemporary with its publication. To judge the book as it would be legitimate to do if it had appeared in the year 1949, to blame Green for not having read the works of historians who wrote after he died, would indeed be a *reductio ad absurdum* of present-mindedness. One reason why no juster judgment can be had than a judgment of peers is that a man's peers are his contemporaries. It is not safe or seemly, in appraising the work of any man, whatever its nature, to appeal from what actually was or what could have been the judgment of his peers to any so-called " verdict of history " conceived in the spirit of a later age and controlled by its assumptions. If Green's *Short History,* in the judgment of his peers, exhibited strength and weakness, great merits and serious defects, it would be pretentious and arrogant on our part to claim the right to reverse that judgment.

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THE VIRGINIA SYSTEM OF MIXED ENTERPRISE

A Study of State Planning of Internal Improvements

TO an investigator concerned with tracing approaches to economic planning in the history of the United States, the movement for internal improvements offers an absorbing field of study. For well over half a century, improvements in transportation formed a major and well-recognized field of government action designed for the direct promotion and not the mere regulation of economic activity. The measures taken did not, to be sure, form part of any comprehensive program such as those which the less developed countries of the world bring before the Economic and Social Council today. The United States of the early nineteenth century, somewhat similarly underdeveloped, produced no similar master plan. Yet the tariff, land policy, and money and banking were all great subjects of debate and of decisions affecting the course of economic development. So also was the issue of internal improvements. Its discussion ran more in terms of specific proposals than of broad economic policy. It produced no such explicit ideal of social organization as that of the free homestead and did not throw conflicting class interests into as sharp relief as did the monetary controversies. Most of the eager advocates of turnpikes and canals and railroads showed less feeling than did Hamilton in his *Report on Manufactures* that individuals might need to be prodded to seek the most profitable fields of employment. If a canal from Buffalo to Albany would reduce freight rates from $100 to $10 a ton, no governmental directive would be needed to induce settlers in Michigan and Ohio to grow wheat and ship it to New York. The purpose of the internal improvements movement was to provide favorable conditions for private enterprise. Yet in the attempt to provide these conditions, the powers of government were used so freely and so continuously—often in fields later relinquished

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to private enterprise—that the process should be of real interest to students of modern planning.

In this process the powers of government employed were not merely those of the federal government but also those of states, counties and municipalities. When it became clear that the Congress would not follow the road of comprehensive national planning of improvements outlined in the Gallatin *Report*, the advocates of better transportation placed their chief reliance on the resources of state and local government. If the extent and variety of government action seem remarkable to a modern observer, so also does the mixture of public and private initiative and responsibility. Certain of the great improvements were constructed and operated as direct government enterprises. Much more was done by the method of mixed enterprise, in which government funds and private money were invested in the same undertaking and through various forms of governmental subsidy. Still other improvements were from the beginning the work of unsubsidized business enterprise, though the United States was to be far on into the railroad era before this became the most important method of the three. Nor is the distinction between mixed and private enterprise a wholly clear one. Turnpike and canal and railroad companies needed eminent domain and the privilege of incorporation; and for the encouragement of these private ventures legislatures often added further advantages such as the right to conduct banking operations or to run a lottery. Motives of private gain and public good were often intermingled. Interested groups sought special favors from legislative bodies; but the movement as a whole cannot be understood without recognition of the widespread and persistent feeling that the promotion of internal improvements, whether by private or by governmental means, was an act of public-spirited service to community, state, or nation.[1]

[1] The argument of this paragraph has been stated more fully in "The National Planning of Internal Improvements", POLITICAL SCIENCE QUARTERLY, vol. LXIII, No. 1 (March 1948), pp. 16-44, and in "Public Spirit and American Improvements", *Proceedings of the American Philosophical Society*, vol. 92, No. 4 (October 25, 1948), pp. 305-309. These articles, like the present one, were prepared under the auspices of the Columbia Council for Research in the Social Sciences. Miss Naomi Waxman has served as research assistant. Acknowledgment should be made of the courtesies extended by Messrs. William J. Van Schreeven and Milton C. Russell and Miss Lula F. Cherry of the Virginia State Library.

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State planning of internal improvements has been less fully explored than that of the federal government and shows an even greater diversity of means and methods.[2] Of the cases of direct state enterprise, New York's Erie Canal was the most notable and the most imitated, although the state did not carry the policy of public works on from the canal to the railroad era. At the other extreme, New Jersey is one of the very few states which spent no money on improvement enterprises, though the grant of banking privileges in the case of the Morris Canal served somewhat the same purpose as a state contribution.[3] The larger number of states, including almost all in the South, placed their chief reliance before the Civil War on the method of mixed enterprise. It seems appropriate, therefore, to begin an examination of the state planning of internal improvements by a study of one of these. The case of Virginia offers the attraction of a remarkably clear statement of the philosophy of the system and the advantage of an unusually orderly set of records. For these reasons, the present article is devoted to the Virginia system of mixed enterprise from the formation of the Board of Public Works in 1816 to the outbreak of the Civil War.

The Philosophy of Mixed Enterprise

Mixed enterprise in Virginia was a carefully contrived system intended "to elicit individual wealth for public improvement." The classic statement of this philosophy and the initial outline of the system are contained in the *Report of the Committee on Roads and Navigation to the General Assembly* in December 1815.

[2] The pioneer study is G. S. Callender, "The Early Transportation and Banking Enterprises of the States in Relation to the Growth of Corporations", *Quarterly Journal of Economics*, vol. XVII (November 1902), pp. 111-162. There are monographs on the internal improvements movements of several states and on a number of canals and railroads. An important comparative treatment is unpublished: M. S. Heath, "Public Co-operation in the Southern United States to 1861" (Harvard University Archives, 1937). See also E. C. Kirkland, *Men, Cities, and Transportation* (Cambridge, 1948) and the treatment of mixed enterprise and public works in Louis Hartz, *Economic Policy and Democratic Thought: Pennsylvania, 1776-1860* (Cambridge, 1948).

[3] H. Jerome Cranmer, "Internal Improvement in New Jersey: Planning the Morris Canal" (M. A. essay, Columbia University, 1949).

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By this time, there was already an extensive history of interest and action in the encouragement of internal improvements. From time to time the legislature of colonial Virginia had authorized associations of gentlemen to raise subscriptions for the clearing of rivers or the building of roads, sometimes adding the privilege of a lottery. Thomas Jefferson, in the chronological list of the achievements by which posterity might remember him, put first his efforts in initiating an improvement of the Rivanna River.[4] George Washington was the great pioneer advocate and promoter of improved connections with the West. In 1812 John Marshall, as chairman of "The Commissioners to view certain rivers within the Commonwealth", presented a report warning Virginia against "supineness" in the contest for Western commerce.[5] By 1815, the state was already embarked in mixed enterprise as an investor in the Potomac and James River companies and in three other improvement corporations.

With this background, the Committee on Roads and Navigation could take for granted the belief that the government had a responsibility in the field of internal improvement:

> Whatever difference of opinion may have, at any time, subsisted, as to the expediency of controlling the voluntary direction of the wealth and labor of individuals by the application of legal constraint, there never has existed a doubt, but that it is the duty, as well as the interest of every good government to facilitate the necessary communication between its citizens.

Next perhaps "to the enjoyment of civil liberty itself", were the blessings which governments could secure to their people "by good roads, navigable rivers and canals."

This argument applied with particular force to Virginia, a state to which nature "has presented so many advantages to

[4] Paul Ford, ed., *The Writings of Thomas Jefferson* (New York and London, 1895), vol. VII, p. 475.

[5] *A Collection of All Laws and Resolutions of the General Assembly of Virginia relating to the Board of Public Works; The Report of the Commissioners appointed to view certain rivers within the Commonwealth in 1812; The Reports of 1814-1815 from the Committees on Roads and Internal Navigation to the Legislature and the Several Annual Reports of the Board of Public Works to the General Assembly up to 1819* (Richmond, 1819), p. 33.

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improve and so many obstacles to overcome." Yet, " notwithstanding these advantages, the principal part of her commerce and almost the whole of her navigation pass out of her hands to enrich the coffers of her neighbors."

All this—the belief in state responsibility and the urgent sense of competition between states—was common doctrine at the time. What is really notable in this document is its contribution on the point of method:

> Should the General Assembly determine to patronize by application of the public revenue all such works as are likely to be of great public utility, it becomes important to decide whether an improvement may not be made in the mode heretofore pursued, of extending to them that patronage.

Two difficulties must be met: blunders in the operation of particular enterprises, and mistakes or favoritism in the choice of projects to be undertaken. The Committee believed that all the canal companies thus far organized in Virginia had suffered " for want of skill in their conduct." Their directors had generally been " public-spirited private gentlemen " serving without compensation. No private company had employed or would be able to employ the full-time service of a trained engineer. This was a want the state must supply.

The second problem was that of the choice of projects for support. This was difficult for the legislature, both because of lack of expertness and because of " the variety of opinions always existing in an Assembly representing many local interests." To meet this the Committee made two recommendations. In the first place, a board should be established to " collect and prepare for the General Assembly, the facts and information necessary to cast " sufficient light upon each application for support. Secondly, the support should be given not by special appropriation but from a general improvement fund set up in advance. Though each subscription would still require a specific act of the legislature, it should be made under uniform conditions applying to all approved projects.

In formulating these uniform conditions the Committee made explicit its philosophy and psychology of mixed enterprise. It

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could never be to the state's interest "to become the sole proprietor of all the public works within its territory." There might be cases in which state ownership of a particular road or canal would be advisable "in order to accomplish some great commercial or political purpose," but this should not be the general rule. "Experience testifies that . . . [internal improvements] will be more economically made, and better repaired, if their management be left to the individuals who subscribe to their stock with a view to private gain, than if confided to public officers or agents."

What, then, should be the function of the state? Primarily to provide the proper incentive for private action:

> The Commonwealth should subscribe so much, to their stock, and on such terms as will suffice to elicit individual wealth for public improvement—and the control which she retains over the conduct of the individual subscribers, should extend no farther, than to correct or prevent such abuses on the community at large, as might be apprehended from the too eager incentive of gain.

The problem was that of adjustment—an economist might have said dosage—of the state's contribution in order to secure the most effective results. On this the Committee added the suggestion that, if the state would forego profit on its own stock where individual subscribers would otherwise suffer "temporary loss", "a much smaller subscription of public money will suffice to draw forth private enterprise." [6]

The Virginia System

The recommendations of the Committee were fully embodied in the Act of February 5, 1816, creating the Fund for Internal Improvements and the Board of Public Works. In addition to the state's small existing investment in improvement companies, the Fund was to include a substantial amount of bank stock owned by the state, together with any future "bonuses" for the extension, modification or creation of bank charters. At face value, the initial nest egg was as follows:

[6] *Laws and Resolutions of the General Assembly . . .*, pp. 43-57.

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7,947	shares	Bank of Virginia	$794,700.00
3,334	"	Farmers Bank of Virginia	333,400.00
250	"	James River Co.	50,000.00
125	"	Appomattox Co.	12,500.00
70	"	Dismal Swamp Canal Co.	17,500.00
70	"	Potowmac Co.	31,111,11
125½	"	Little River Turnpike Co.	12,550.00
			$1,251,761.11

The income from these securities, together with the returns on the new investments, was to constitute a permanent revolving fund for subscription to the stock of improvement companies.

This fund was to be managed by a Board of Public Works consisting of the Governor as president ex officio, the Treasurer, the Attorney General, and ten citizens to be selected, three from west of the Alleghenies, two from the Valley, three from the Piedmont, and two from the Tidewater. The Board was to employ a Principal Engineer. With his aid it was to examine the proposals for aid to specific improvements and to include in its reports " the surveys, plans and estimated expenses of such new works as they may recommend to the patronage of the General Assembly."

For such patronage the Act laid down specific terms. The sponsors of each project approved by the legislature must raise by private subscription three fifths of the amount needed. The Board would then subscribe the other two fifths and appoint its proportional share of the directors. Dividends on the state stock, however, would be deferred until the private subscribers had received six per cent on their investment. As the chairman of the committee, Charles F. Mercer, later explained on the floor of Congress, the state would regard itself " as amply remunerated for a temporary suspension of the interest on her share of the common stock " by the completion of the work itself. Its subscription is to operate " as a modest insurance against loss to the private adventurers, who are expected to be attracted to all such enterprises by the hope of gain; and is thus calculated to elicit the subscription of individual wealth to public use." [7]

[7] *Annals of Congress*, Fifteenth Congress, First Session, p. 1316, March 12, 1818.

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Here, then, was a plan for the systematic encouragement of improvements. Responsibility for the initiation of projects was deliberately left to private individuals. "Individual enterprise was first to be called out, and then aided by the hand of the Government."[8] All the contemporary discussion makes it clear that the initiative and private capital to be relied on were those of people in the locality or localities directly affected. The essence of the system was "to call on each section of the State for their three-fifths, who apply for their portion of the public funds."[9] The local enterprise seeking "a little of the sunshine of public favor" to set it in motion might well be small, and lack "knowledge and confidence".[10] But for a locality without capital or for an enterprise transcending local interest, the system made no explicit provision.

The intent was to decentralize initiative and direction. The Board of Public Works was not commissioned to prepare and carry out a master plan for a unified Virginia network of transportation. It had the more limited function of advising the legislature on the claims and merits of competing projects, of providing through its Principal Engineer the critically scarce factor of technological competence, and of exercising a continuing surveillance over the new enterprises in the interest of the state.

The system thus launched remained in effect, at least in broad outline, until the military operations of the Civil War put a stop to the progress of improvements. At many points, however, its actual working departed from the neatness of the original conception. On two occasions significant changes were made in the composition of the Board itself. In 1831, the

[8] *Proceedings and Debates of the Virginia State Convention of 1829-30* (Richmond, 1830), p. 143.

[9] *Tenth Annual Report of the President and Directors of the Board of Public Works to the General Assembly of Virginia* (Richmond, 1826), pp. 193-194. This series of volumes forms the principal source of the article. In addition to the reports proper, they contain the reports made to the Board by the improvement companies (for a few years published in separate volumes), the reports of the engineers and other officers, and often other relevant materials. Subsequent citations will be to BPW, with volume and year.

[10] 7 BPW 1822, p. 6.

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regional members were dropped and membership limited to state officers serving ex officio. But in 1853 the ex officio members were in turn replaced and a new Board established consisting of three commissioners, each elected from a geographical area.[11]

Of greater interest were changes in the bias of state contributions. The practice of deferring dividends on the state stock, for all of Mercer's pride in its ingenuity, was early abandoned. A committee of the House of Delegates declared that what it did was to hold out "a bribe to speculation and avarice to engage in undertakings not profitable to the Commonwealth." The provision was expressly abolished in 1828, and, even before that, most of the acts authorizing subscriptions had provided that the state stock should stand on the same footing with that subscribed by individuals.[12]

More serious challenges to the original conditions came from the needs of areas believed too poor to provide their own capital, from the exigencies of the James River improvement, and from the increased demands and financial difficulties of the mixed enterprises themselves. In some cases the argument pointed to purely state works, which became of increasing importance as the program developed. The state was urged to do more than "simply . . . mingle in the golden harvest of profitable investments." As early as its second report, the Board pointed out that "the usual contributions from individuals" could hardly be expected from the sparsely settled valleys of the Kanawha and the Ohio. "It is therefore respectfully suggested that the salutary restriction that requires three-fifths of the stock to be taken by individuals be dispensed with in this instance." The Governor's message in 1826 urged that roads beyond the mountains be constructed by the state. This would "constitute a just exception to the general rule." [13]

[11] Acts of April 2, 1831 and March 9, 1853. The second carried out the provisions of Article V of the Constitution of 1851. Minor changes in the composition of the Board were made in 1820 and 1833.

[12] *Journal of the House of Delegates*, 1821-22, p. 189. Act of February 2, 1828. 11 BPW 1827, pp. 151-156. James Madison and his fellow "Managers" of the Upper Appomattox Company protested because the original rule was not applied in their case. 10 BPW 1826, pp. 193-194; 12 BPW 1828, p. 184.

[13] 23 BPW 1839, p. 398; 2 BPW 1818, p. 9; 11 BPW 1827, p. 118.

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The greatest of early Virginia undertakings, the attempt to connect the James and Kanawha rivers, provided another exception. In 1820 the Board declared that "all minds" now believe that "improvements of such magnitude, can properly be undertaken by the General Assembly alone." A legislative committee reported to the session of 1825-26:

> that the leading objects of this enterprise are of a national character, in which the citizens of this Commonwealth have a common interest as members of the same political body; that it was undertaken on a scale not called for by the trade of the country bordering on the line of the improvement, and with a view to accommodate an extensive trade from the exterior, and to secure to the whole community great political advantages anticipated therefrom; that it was in truth a great State affair, the expense of which could neither be borne by the internal trade on the line of the improvement, nor hazarded by individual enterprise.[14]

This view was not always held, and the James and Kanawha project, which had begun as mixed enterprise and been taken over by the state, was turned over again to mixed enterprise.[15] At no stage did it fit comfortably within the concepts or the financial frame of the original scheme.

The strict limit of a two-fifths investment on the part of the state was breached in a number of other cases and finally abandoned altogether. A number of loans were made to companies in financial difficulties, and in certain cases loans floated by companies were guaranteed by the state.[16] The standard subscription was raised, in practice rather than by formal rule, to three-fifths.[17]

These were significant changes. Mixed enterprise remained the favored system, with a number of exceptions in favor of

[14] 4 (Supplement) BPW 1820, p. 3; 9 (Supplement) BPW 1825, p. 341.

[15] For a full account see W. F. Dunaway, *History of the James River and Kanawha Company* (New York, 1922).

[16] The Laws of 1837-38 show loans to four railroads. See also Acts of March 2, 1821; Feb. 13, 1823; Feb. 26, 1829; April 6, 1839; Feb. 12, 1841; Feb. 3, 1848; March 25, 1858.

[17] The first cases were in 1838, but the real change occurred at the end of the next decade. In 1850-51, of the 81 subscriptions authorized 78 were on the three-fifths basis.

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state works, but by 1850 it had become mixed enterprise in which the government rather than private individuals was supplying the greater share of the capital. The progress of improvements under this changing system may be better understood after an examination of the accounts of the Fund for Internal Improvements.

The Fund for Internal Improvements

As the Virginia system developed, its financing broke out of the confines of the self-contained revolving fund with which it began. This was partly because the returns from the improvement investments were disappointing but even more because the magnitude of the improvements attempted was far beyond the expectations of 1815.

The development may be studied in tables adapted from the annual reports of the Board's administrative officer, the Second Auditor. Table I gives the Current Revenue, Expenditures, and Investments of the Fund for the years 1816 through 1861. On the side of revenue it distinguishes between the return on bank stock and that received as dividends and interest from the improvement investments. From the latter interest and redemption payments are subtracted to reach a figure of net receipts from improvements. Another column gives the operating expenses of the Board. The purpose for which surpluses were intended was further investment in improvements. On the other hand, deficits were met by contributions from the state. Instead of a column for surplus and deficit, therefore, figures are given for such state contributions and for investment from current revenue. The remainder of the table completes the account of the process of investment. It includes investment from loan proceeds and investments from other sources, which consist largely of transfers to the Board of assets previously acquired by the state. After taking account of certain reductions of assets [18] in a disinvestment column, the final figure is that of net annual investment.

[18] By sale of assets of transfer to county or municipality, by abandonment and occasional writing down of assets, and by the repayment to the Fund of loans to companies.

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TABLE I

CURRENT REVENUE, EXPENDITURES, AND INVESTMENTS

Year	Revenue from Bank Investments	Gross Revenue from Improvement Investments	Interest Payments	Net Revenue from Improvement Investments	Net Revenue from All Investments
1816	32,429	.....	.....	.....	32,429
1817	74,987	8,000	.....	8,000	82,987
1818	111,810	7,000	.....	7,000	118,810
1819	65,529	4,914	.....	4,914	70,443
1820	81,579	3,408	.....	3,408	84,987
1821	64,354	11,997	.....	11,997	76,352
1822	77,984	11,878	.....	11,878	89,862
1823	68,984	7,318	.....	7,318	76,302
1824	71,729 [b]	7,870	.....	7,870	78,599
1825	77,173	38,345	45,558	— 7,212	69,960
1826	79,005	32,505	62,450	— 29,934	49,070
1827	71,274	40,895	70,370	— 29,474	41,799
1828	69,215	47,611	71,673	— 24,061	45,153
1829	76,080	45,624	71,673	— 26,049	50,031
1830	76,178	62,484	71,898	— 9,414	66,764
1831	72,160	59,410	72,376	— 12,965	59,195
1832	80,163	58,898	74,883	— 15,984	64,178
1833	87,099	72,245	80,361	— 8,116	78,983
1834	105,218	43,384	80,630	— 37,245	67,972
1835	125,930	67,732	94,445	— 26,713	99,216
1836	131,959 [b]	62,459	99,769	— 35,310	96,649
1837	119,715 [b]	61,191	101,337	— 40,146	79,569
1838	92,748 [b]	62,711	184,693	— 121,981	— 29,233
1839	144,305 [b]	87,198	265,092	— 177,893	— 33,588
1840	92,002 [b]	69,446	356,292	— 286,846	— 194,843
1841	79,072 [b]	48,738	338,771	— 290,032	— 210,960
1842	72,779 [b]	21,695	325,024	— 303,328	— 230,549
1843	107,852 [b]	22,619	368,136	— 345,516	— 237,664
1844	123,773 [b]	67,826	372,418	— 304,592	— 180,819
1845	118,400 [b]	72,414	386,489	— 314,074	— 195,673
1846	119,202 [b]	97,107	353,426	— 256,318	— 137,115
1847	116,943	97,775	346,407	— 248,631	— 131,688
1848	126,006	106,126	409,092	— 309,965	— 176,959
1849	126,370	150,251	406,691	— 256,440	— 130,070
1850	130,114	133,738	477,858	— 344,120	— 214,005
1851	139,442	151,772	570,662	— 418,889	— 279,447
1852	139,373	183,744	737,521	— 553,777	— 414,403
1853	145,520	121,503	748,156 [c]	— 626,652	— 481,132
1854	152,211	320,615	1,842,855	— 1,522,239	— 1,370,028
1855	155,860	97,582	1,798,304	— 1,700,721	— 1,544,861
1856	157,349	140,348	1,986,947	— 1,846,599	— 1,689,250
1857	148,380	98,922	2,328,090	— 2,229,168	— 2,080,788
1858	150,139	135,616	2,632,515	— 2,496,898	— 2,346,759
1859	162,954	319,648	2,934,797	— 2,615,148	— 2,452,193
1860	166,971	341,463	2,703,748	— 2,362,285	— 2,195,314
1861	154,505	174,521	2,478,266	— 2,303,744	— 2,149,239
Total [a]	4,942,845	3,878,565	26,347,691	— 22,468,817	— 17,526,268

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TABLE I

VIRGINIA FUND FOR INTERNAL IMPROVEMENTS, 1816-1861

State Contribution	Board Expenses	Investment from Current Revenue	Investment from Loan Proceeds	Investment from other Sources	Disinvestment	Net Investment
.....	3,721	.....	.....	1,251,761 [h]	.....	1,251,761
.....	6,572	51,605	.....	.....	.....	51,605
.....	8,508	158,679	.....	112,500	.....	271,179
.....	24,656	45,750	.....	.....	6,500	39,250
.....	23,199	46,650	.....	.....	.....	46,650
.....	15,783	67,650	.....	4,700	.....	72,350
.....	16,056	72,070	.....	.....	23,370	48,699
.....	8,936	77,400	.....	.....	.....	77,400
.....	13,199	49,280	.....	.....	.....	49,280
.....	15,957	47,280	.....	.....	.....	47,280
.....	8,868	43,225	.....	.....	.....	43,225
.....	9,656	35,383	.....	.....	40,300 [k]	— 4,917
.....	8,738	38,077	.....	.....	.....	38,077
.....	6,669	31,064	.....	.....	.....	31,064
.....	10,945	15,866	.....	.....	.....	15,866
.....	13,528	18,641	.....	.....	.....	18,641
.....	8,994	81,140	80,000	.....	.....	161,140
.....	13,009	35,112	65,000	.....	22,000	78,112
.....	18,419	47,753	395,000	.....	.....	442,753
.....	15,267	25,459	253,800	.....	15,173	274,086
.....	13,012	75,681 [e]	118,008	1,000,000 [h]	11,700	1,181,981
9,962	26,771	137,428 [e]	965,969	.....	123,996 [l]	979,409
100,052	26,364	10,550 [e]	1,298,834	.....	.....	1,309,384
85,000	21,259	19,097 [e]	948,574	.....	.....	967,671
201,200	16,412	20,000 [e]	203,792	.....	.....	223,792
239,600	10,233	20,900 [e]	229,282	.....	.....	250,182
238,500	9,226	13,100 [e]	366,124	.....	.....	379,224
241,000	6,028	.....	42,820	.....	10,100 [m]	32,720
186,000	3,070	8,000 [e]	8,808	105,540 [i]	.....	122,348
190,000	3,750	4,000 [e]	16,469	.....	.....	20,469
195,676	3,810	3,500 [e]	23,358	.....	697,592 [m]	— 670,734
150,000	6,471	5,102	530,446	27,520 [i]	260,000 [k]	303,069
200,000	6,985	19,430 [f]	454,527 [f]	52,308 [i]	.....	526,266
175,000	7,709	6,430 [f]	724,742 [f]	4,000 [i]	338,100 [n]	397,072
197,000	8,016	25,922	1,664,527	698,971 [h]	187,266 [m]	2,202,155
245,000	17,061	2,410	2,118,639	339,131 [j]	31,001 [o]	2,429,179
145,305 [d]	21,554	256,688	2,616,070	.....	1,500	2,871,258
832,715	6,007	150,000	3,849,552	.....	43,524	3,956,028
1,351,880	5,069	389,131	3,997,946	.....	100,000	4,287,077
1,600,027	5,449	140,000	1,654,010	.....	64,600 [p]	1,729,409
1,655,895	6,564	.....	2,194,599	.....	4,000	2,190,599
2,098,737	6,093	.....	1,041,596	.....	143,996 [q]	897,600
2,353,998	11,772	.....	1,568,951	.....	.....	1,568,951
2,451,842	6,387	.....	1,589,343	300,000	.....	1,889,343
2,200,019	10,475	.....	6,394,447 [g]	.....	.....	6,394,447
2,158,191	8,163	.....	1,297,205	.....	.....	1,297,205
19,502,599	574,390	2,295,453	36,712,438	3,896,431	2,114,718	40,789,596

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Table II presents the Capital Account of the Fund from its initiation through 1860-61. It presents the holdings of bank stock, the investments in state works, and the holdings in the stock of and loans to the mixed improvement companies. Another column records debt outstanding. The final column gives the net worth of the Board's holdings. Like its component parts, the figure represents book rather than market value.

For several reasons these figures must be taken as approximations. The purposes of the present analysis require categories which are not precisely those used by the Second Auditor, nor were the latter entirely self-consistent over the whole period. In the relations between the Fund and the remainder of the state treasury, assets and obligations were not always neatly

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Notes to Table I

This and the following table have been prepared by Naomi Waxman from the Reports of the Second Auditor on the State of the Fund for Internal Improvements.

[a] The totals will show a slight discrepancy since the cents columns have been omitted in printing.

[b] Includes bank bonus.

[c] From this point on, payments made by the Board and the state to the sinking fund for interest and redemption are included as well as interest payments made directly by the Board.

[d] Reduced by $150,000 loan from Board to treasury.

[e] Includes bank bonus paid in stock.

[f] Part of this was for state works not at the time listed as assets of the Fund: $37,958 in 1848; $192,788 in 1849.

[g] Of this, $5,052,000 represents acquisition of $7,400,000 stock in James River and Kanawha Company in return for a subscription of $200,000, the conversion of a loan of $2,386,000, and the assumption by the state of the company's guaranteed bonds and of the annuity to the stock of the old James River Company.

[h] Transfer of state's interest to Board.

[i] Conversion of debt for interest or current dividends into company bonds or stock.

[j] Of this, $85,200 represents revaluation of old James River Company stock; $43,950 represents conversion of company debt into bonds or stock; $210,000 represents excess of book value over cash paid for improvement sold to Board by city of Petersburg.

[k] No receipts to Fund. Proceeds appear to have gone to state treasury or sinking fund.

[l] $5,600 represents loss on sale of assets.

[m] Assets written off or written down.

[n] $323,500 represents the value of the state holdings in the Petersburg Railroad which were transferred to the city of Petersburg; $10,600 represents sale of assets for which no receipts to the Fund are shown.

[o] $11,413 represents loss involved in sale of improvement to city of Petersburg.

[p] $50,000 represents assets written off.

[q] $40,000 sale of bank stock; $103,000 assets written off; no receipts to Fund.

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TABLE II

CAPITAL ACCOUNT—VIRGINIA FUND FOR INTERNAL IMPROVEMENTS, 1816-1861

Year	Bank Holdings	Holdings in State Works	Holdings in Other Improvements	Total Holdings in Improvements	Total Holdings [b]	Debt Outstanding	Net Worth
1816	1,128,100	.....	123,661	123,661	1,251,761	.....	1,251,761
1817	1,164,300	.....	139,161	139,161	1,303,461	.....	1,303,461
1818	1,364,100	.....	173,461	173,461	1,537,561	.....	1,537,561
1819	1,357,600	.....	219,211	219,211	1,576,811	.....	1,576,811
1820	1,357,600	.....	265,861	265,861	1,623,461	.....	1,623,461
1821	1,358,200	.....	337,611	337,611	1,696,811	.....	1,696,811
1822	1,337,200	.....	433,051	433,051	1,770,251	.....	1,770,251
1823	1,337,200	.....	509,381	509,381	1,846,581	.....	1,846,581
1824	1,337,200	.....	608,661	608,661	1,945,861	.....	1,945,861
1825	1,337,200	.....	655,941	655,941	1,993,141	.....	1,993,141
1826	1,337,200	.....	699,166	699,166	2,036,366	.....	2,036,366
1827	1,337,200	.....	694,249	694,249	2,031,449	.....	2,031,449
1828	1,337,200	.....	732,326	732,326	2,060,526	.....	2,060,526
1829	1,337,200	.....	763,391	763,391	2,100,591	.....	2,100,591
1830	1,337,200	.....	779,257	799,257	2,116,457	.....	2,116,457
1831	1,337,200	.....	797,899	797,899	2,135,099	.....	2,135,099
1832	1,371,600	.....	920,923	920,923	2,292,523	50,000	2,242,523
1833	1,396,473	.....	994,035	994,035	2,390,508	80,000	2,310,508
1834	1,396,473	.....	1,436,789	1,436,789	2,833,262	135,000	2,698,262
1835	1,391,300	.....	1,716,049	1,716,049	3,117,349	440,000	2,677,349
1836	1,392,500	.....	2,898,813	2,898,813	4,291,313	521,500	3,769,813
1837	1,345,800	6,469	3,889,919	3,896,389	5,242,189	1,735,900	3,490,289
1838	1,349,800	19,520	5,186,040	5,205,561	6,555,360	2,695,400	3,859,960
1839	1,363,700	44,492	6,114,839	6,159,332	7,453,031	3,672,113	3,780,917
1840	1,383,700	63,754	6,299,364	6,363,119	7,746,824	3,802,680	3,944,143
1841	1,404,600	103,982	6,472.442	6,576,424	7,981,024	4,026,969	3,954,107
1842	1,417,700	190,385	6,751,756	6,942,141	8,359,824	4,377,376	3,982,448
1843	1,417,700	226,385	6,747,752	6,974,137	8,391,837	4,414,917	3,976,920
1844	1,388,200	230,522	6,910,153	7,140,676	8,528,876	4,660,671	3,982,448
1845	1,392,200	244,008	6,841,701	7,085,710	8,467,910	4,394,660	4,073,250
1846	1,143,850	187,213	6,478,998	6,666,211	7,810,061	4,288,585	3,521,476
1847	1,143,850	187,358	6,850,123	7,037,481	8,181,331	4,885,735	3,295,596
1848	1,143,850	194,136	7,331,653	7,525,790	8,669,640	5,359,559	3,310,080
1849	1,143,850	235,409	7,518,402	7,753,811	8,897,661	5,985,432	2,912,229
1850	1,143,850	1,193,676	8,747,290	9,940,967	11,099,817	8,063,039	3,036,777
1851	1,143,850	1,554,595	10,939,560	12,494,156	13,638,006	10,139,630	3,498,376
1852	1,143,850	1,975,901	13,374,334	15,350,236	16,494,086	13,679,447 [c]	2,814,639
1853	1,143,850	2,363,673	16,781,939	19,145,612	20,289,462	17,591,668	2,697,794
1854-55 [a]	1,143,850	3,688,984	21,457,068	25,146,053	26,289,903	24,255,372	2,034,530
1856-57 [a]	1,103,850	4,390,129	23,893,169	28,283,299	29,387,159	27,032,808	2,354,915
1858-59 [a]	1,103,850	5,285,346	26,456,528	31,741,874	32,845,724	29,740,209	3,105,515
1860-61 [a]	1,103,850	6,530,531	32,813,277	39,343,808	40,452,292	34,359,418 [d]	6,092,873

[a] Biennial reports only.

[b] Year-to-year changes in this column correspond substantially with the figures of Net Investment in Table I, but the nature of the data and changes in the accounting methods of the Fund cause minor discrepancies.

[c] From this point on, the figure represents all improvement debt outstanding in the hands of the public and therefore may overstate the Fund's obligation by including debt for improvement projects not listed as assets of the Fund.

[d] Does not include obligation to pay annuity on old James River stock.

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paired. The tables should, however, serve to give a general view of the magnitude and the financial results of the Virginia system.

For the years 1816 through 1831, the story is relatively simple. New investments were made according to plan only from the net income of the Fund, and total holdings rose slowly to somewhat over $2,000,000. Revenue from the bank stock remained reliable. Income from the new improvements came in, though in disappointingly small amounts. The one major departure was the decision to charge against the Fund, from 1825 on, the state's obligation for interest payments on a loan previously incurred for the James River improvement. The James River account for these years showed a net deficit of over $200,000. The effect, as Table I shows, was to turn net income from improvements into a minus quantity and to leave available for new investment only a part of the bank income. The Board on several occasions complained of this burden. The James River debt, said Governor Tyler in 1826, "operates as a moth on the fund set apart for the beneficent object of State improvement, in violation of the principle on which that fund was created, and to the great grievance of other portions of the State." [19]

At the end of 1831 the Board recommended a departure from the limitations of the original revolving fund, declaring that its income "was totally insufficient to effect any extended scheme of improvement commensurate with the great interests of the State." After proposing a loan to complete the James River improvement, the Board continued:

> Nor indeed does the Board perceive any objection to the loan of a sum sufficient to construct *all the improvements* of primary importance required by the state, provided that a guarantee exists for the payment of the interest upon the loan out of the revenue to be derived from the improvements. In that event, the amount borrowed will in some degree lose its character of a debt.[20]

[19] 13 BPW 1829, p. 421 (as paged with 11 and 12 BPW); 18 BPW 1834, p. 311 (as paged with 17 BPW); 11 BPW 1827, p. 115. See also 11 BPW 1827, p. 9 and 15 BPW 1831, p. 114.

[20] 15 BPW 1832, pp. 113, 116. Italics in original.

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In 1832 the General Assembly for the first time authorized the Board to borrow on the credit of the commonwealth to complete its subscription to the Petersburg Railway Company. In 1838 and 1839 more general acts were passed authorizing the Board to negotiate loans in the United States or Europe for the purposes of internal improvements.[21] From this time on, loan proceeds became by far the most important source of improvement investment. In some cases state bonds were given to the improvement companies to sell on their own account. More often the marketing was done by the Board itself. Financing took a large place among its "delicate and multifarious duties", and its reports were increasingly full of concern for "the credit of the state in the markets of the world." When the new Board took office in 1853, it set down as one of its principal functions:

> by a judicious disposition of the bonds of the commonwealth to raise the means to enable her to meet the liabilities incurred by reason of the. . .improvements in which she has wisely and liberally engaged.[22]

Under the new policy, the volume of investment increased greatly, with variations largely reflecting changes in the availability of capital. The first major loans coincided with a marked wave of railroad building, and new investment averaged about a million dollars a year from 1836 through 1839. The amount fell during the early forties, dropped almost to nothing in the middle of the decade, and rose to substantial proportions toward its end. The fifties saw another marked increase. In 1851 the Board boasted that Virginia was at last "awake to the transcendent importance of the subject" of improvements and that the commonwealth stood "not prostrate in repudiation, after the example of so many states . . . but with her bonds commanding high premiums in the markets at home and abroad." For the years 1850 to 1860 inclusive, the Board's borrowings averaged more than two millions a year, with the

[21] Acts of February 27, 1832; April 9, 1838; and March 21 and 27 and April 8, 1839. A maximum interest rate of 5 per cent was soon changed to 6 per cent.

[22] 36 BPW 1851, p. iii; 38 BPW 1853-54, p. iv.

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annual total reaching nearly four millions in 1853 and 1854 and never falling as low as one million even after the "moment of financial gloom" reported by the Board in 1855.[23]

Meanwhile there had been certain departures from the principle of mixed enterprise. From 1837 on, Table II contains figures showing the Board's holdings in "State Works". The early expenditures, which were moderate in amount, were for roads in the more remote areas. Later departures were more substantial. "In two cases where local investors hesitated to furnish capital for the building of railroad lines the state built them itself." In 1849 the Board of Public Works was incorporated as the Blue Ridge Railroad Company to perform the additional function of constructing a railroad from the eastern to the western base of the mountain.[24] The road was to form part of the line of the Louisa (later Virginia Central) Railroad. The purpose of state action was to take the risk and provide the capital for the part of the job—largely the tunneling of the mountain—that seemed too costly for private enterprise. The work was directed by Captain Claudius Crozet, one of the Board's distinguished succession of engineers, at a cost of about a million dollars. After great difficulties the main tunnel was "holed through" on Christmas of 1856, and the road was subsequently turned over to the Virginia Central for operation.[25]

The other case was that of the Covington and Ohio Railroad which was to cross the second line of mountains. "Here, too, the rugged terrain would necessitate larger outlays of capital." Commencement of the work was authorized in 1852, and the Board in its next report spoke with enthusiasm of "the responsible but agreeable labor of constructing this great national highway." By furnishing a western connection for the James

[23] 36 BPW 1851, pp. iii, iv; 39 BPW 1855, pp. xv, xvi. In the latter year the Board's financial agent, the Richmond firm of Selden Withers, failed owing the Board money; and the Board was attempting negotiations through Baring Brothers in London. In this year a member of the Board, Alexander R. Holladay, went to London for this purpose.

[24] C. W. Turner, "The Virginia Railroads, 1828-1860" (unpublished dissertation, University of Minnesota, 1946), p. 7. Act of March 5, 1849.

[25] Wm. Couper, "Claudius Crozet" (Charlottesville, 1936), Number VIII, in *Southern Sketches*, J. D. Eggleston, ed.

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River Canal and the Virginia Central Railroad, the Covington and Ohio would at last fulfill the long-deferred hopes of the great central route between east and west. More than three million dollars were spent on construction of the road, which remained unfinished at the outbreak of war. The sums devoted to state works made an increasing proportion of the total, though still much smaller than the commitment to mixed enterprise; and the new Board's listing of its responsibilities placed first the duty to "supervise the construction of those works of internal improvement of which the state is the sole patron." [26]

The amounts borrowed did not—in the Board's hopeful phrase—lose their character of a debt. Bank revenue continued to be a reliable and on the whole increasing source of income, with occasional peaks in the bonus years and with one substantial decline in the early eighteen-forties. Gross revenue from investments crept up slowly, again with a decline in the early forties and with sharp fluctuations in the fifties, from about $60,000 to a peak of $340,000 in 1860; but it failed to catch up with the mounting burden of interest payments. The James River improvement continued on the deficit side, but it was now by no means the only moth to operate on the Fund. For every year from 1838 on, interest payments exceeded revenue from bank stock and improvements, by amounts which increased to a level of more than two million dollars annually for the years 1857 through 1860. From 1837 on, these deficiencies were made up by annual state appropriations, either to the Board itself or to a sinking fund for debt retirement.

At the end of the period the Fund had assets of a book value of approximately forty million dollars, encumbered by a debt of more than thirty-four million, leaving a nominal net worth of some six million dollars. To obtain this, the state of Virginia—aside from the sums reinvested from earnings and the sums obtained by the Board's borrowings—had contributed directly some three million dollars by the transfer of assets and nearly twenty millions in annual appropriations. To emphasize a current rate of return in this developmental operation is somewhat misleading, since half the investment was less than

[26] Turner, *op. cit.*, pp. 68, 73-74; 38 BPW 1853-54, pp. iv, viii, xvi-xvii.

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eight years old in 1860 and railroad income was rapidly increasing; but in that year holdings of forty million dollars were yielding a return—before interest charges—of only about half a million.

Evidently, then, the persistence of the Virginia system of mixed and public enterprise cannot be accounted for on the basis of its financial returns to the state. It is necessary, therefore, to examine the transportation facilities secured by this outlay and the control over them exercised by the Board, and to ask why—in the face of these losses—Virginia continued to expand its encouragement of internal improvements.

The Network of Improvements

When a committee of the House of Delegates reviewed the improvements program in 1860, it found that the state held an interest in twelve canal and navigation projects, several of them still unfinished, in ten plank road companies, and in fourteen bridge companies. Twenty-five roads were listed as built on state account. In 1851, the Board had reported that the state possessed 872 miles of "the most capacious and substantially constructed canals in the Union" and about 3,000 miles of turnpikes. In all this part of the program, however, the effect of obsolescence had been a heavy one. Of the canal and navigation companies only the Roanoke was yielding a return in 1860. As for the "minor improvements, including turnpikes, plank roads and bridges", the committee calculated the rate of return on the state's investment as 7/1000 of 1 per cent. The situation of the Snicker's Gap Turnpike Company, "having a good road but not much used", was typical. "In consequence of the popular branches of railroad and canal improvements that have been made in our section of the country the transportation of produce has been very much drawn from this road." In a number of cases the ownership of turnpikes had been turned over to the counties through which they ran, and in still others the state interest had been sold.[27]

[27] "Report of the Select Committee on the subject of Internal Improvements", March 1860, House of Delegates, 1959-60, *Document Number 86*, pp. 3-4, 14-15. 36 BPW 1851, p. iii; 21 BPW 1837, p. 346 (paged with 20 BPW), and p. 304. It was, however, a purely private railroad, the Chesterfield, which, after some years of

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The railroads were another story. The committee listed state interests in sixteen roads, of which eleven were unfinished or planned extensions. For some years the Board had been proudly publishing tables of "railroad progress". The historian of Virginia railways, Professor C. W. Turner, declares that Virginia "chartered more successful roads in the last years of the thirties and through the forties than any other southern state." Miles in operation rose from 147 in 1840 to 1,350 in 1860. "Virginia lines were built and operated more cheaply than any in the neighboring states, and several roads could boast that even in panic years dividends could be paid." By 1860 the railroads of the state "were forming into a definite transportation system." [28]

If the Virginia improvements were in fact becoming a system it was not because the method of mixed enterprise had been devised to promote unified planning. By leaving the initiative to local enterprise, the state was to have avoided much of the necessity of deciding between "contending interests". To Crozet this was enough to outweigh his belief that "a better execution" of the projects could be secured by state construction.[29] In practice, however, there was in the development of the Virginia system much more active and continuous conflict of local interests than its founders had hoped but also on some occasions more planning than they had contemplated for the Virginia transport network as a whole.

Of the first point the evidence is abundant. As early as its third report, the Board suggested the expediency of appropriating turnpike money for districts not reached by "more important and extensive works." Subsequent volumes abound in references to "invidious comparisons", "local jealousies", and "inequality in the patronage of the fund." An exasperated committee of the legislature declared that there were "more

profitable operation hauling coal to Richmond, made the discovery that "a railroad whose motive power consists of horses and mules cannot compete with one operated by steam." 35 BPW 1850, p. 19.

[28] Turner, *op. cit.*, pp. 89, 90, 272, 291. But compare Professor Heath's comment attributing Virginia's failure to put through its great line to the West to long hesitation between canal and railroad. Heath, *op. cit.*, p. 99.

[29] 16 BPW 1832, p. 376 (paged with 14 and 15 BPW).

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local and discordant interests in Virginia, arising from natural obstacles to a community of interest, than in any other state in the Union." [30]

The Constitutional Convention of 1829-30 provided a battleground for these interests. The chief issue was the increase of seats in the legislature for the underrepresented west. The most common argument against the change was that the poorer west would tax the richer east for the promotion of internal improvements. One proposal would even have provided that state expenditures on improvements east and west of the Blue Ridge should be kept in exact proportion to the taxes received from the two parts of the state. In the course of the debates a classical scholar from the Tidewater declared, "The people of the west want to make some Appian, or some Flaminian way, or some Roman aqueduct, or some other such splendid work of Internal Improvement"; and another delegate retorted by asking who had been the first to insist on an exception to the principle of the two-fifths subscription: "Was it by gentlemen from the west? Or was it not by what is familiarly denominated the James River interest?" [31] Fifteen years later, positions in the argument were precisely reversed. A western representative succeeded in getting the Second Auditor instructed to produce a "Report on the Internal Improvements East and West of the Blue Ridge" and—by insisting that the James River investment be counted in the former category—was able to show that expenditures in the east had been nearly three times as great as those in the west.[32]

Against such displays of localism voices were raised on behalf of a more integrated system. A state engineer cited the case

[30] 3 BPW 1818, pp. 13, 59; 9 BPW 1824, p. 12; 7 BPW 1822, p. 102; 15 BPW 1831, p. 117 (paged with 14 BPW); 15 BPW 1831, p. 244. The point is more fully developed in C. H. Ambler, *Sectionalism in Virginia from 1776 to 1861* (Chicago, 1910).

[31] *Proceedings and Debates* . . . , pp. 497, 114, 143.

[32] 28 BPW 1844, pp. 238-249, 251-253. The first answer made by the Second Auditor included a large intermediate category of "works passing through or over the Blue Ridge." The MS Letter Books of the Board, in the Virginia State Library, contain a letter from the Second Auditor to the representative pointing out that in such cases the side of the range gaining the greater benefit might have the smaller part of the improvement in distance and cost. Jan. 23, 1844.

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of Pennsylvania as a warning against the dissipation of energies in excessively local improvements, and the engineer of a mixed enterprise pointed to Georgia as the model for "a system by which each road was made to contribute to a general plan, all parts of which were calculated to contribute to the general result." On several occasions the Board warned against the danger of permitting "improvements, in their nature local, and limited to neighborhood convenience", to exhaust "the fund designed for objects of more general utility." The original purpose, the Board argued, was to create "links in a chain connecting remote parts of the State under a more uniform system of improvements." Accordingly it included in the questionnaire to be filled out by each undertaking a heading: "Link of Connection".[33]

In 1827 the Governor asked the Principal Engineer to prepare "a plain and commodious view of the present condition of the most urgent internal improvements required by the state." In 1838 the Board declared that the state map prepared under its direction would have great value in calling attention to the "chasms" that needed to be filled in the system of transportation.[34] Though there was never a Gallatin's report for Virginia presenting in advance a comprehensive blueprint of major improvements, the Board in 1851 devoted much of its report to the proposition that a coördinated network of railways was in fact emerging and should be perfected:

> There will be, first, as a basis of the whole system, a line of road extending from the banks of the Potomac to the North Carolina line, crossing all the great streams of the state near the head of tidewater. . . .Upon this base line of railway will rest four of the most important public works projected upon the continent.

Of these the southernmost was the Danville Railroad. The next was the Virginia and Tennessee which was to lead toward the Mississippi River at Memphis. The third was the Virginia Central pointing to Cincinnati to tap "the capital and com-

[33] 16 BPW 1832, pp. 376-377 (paged with 14 and 15 BPW); 35 BPW 1850, p. 417; 13 BPW 1829, p. 423 (paged with 12 BPW); 15 BPW 1831, p. 113 (paged with 14 BPW); 12 BPW 1828, p. 181; 14 BPW 1830, p. 34.

[34] 12 BPW 1828, p. 396 (paged with 11 and 12 BPW); 22 BPW 1838, p. 5.

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merce of the Ohio valley." The fourth was to connect the Potomac end of the north-south line with the Baltimore and Ohio which was already a major route in the northwestern part of the state drawing its trade to what Virginians sometimes called the "Baltimore drainage". "The railways progressing in our state", declared the Board, form, "as shewn, a consistent system." [35]

The Limitations of the Board's Control

In its day-to-day supervision over the system of mixed enterprise, the Board of Public Works was for the most part concerned with matters of narrower import than a general plan of transportation. Legislative provisions limited the powers of the Board over the companies that received its aid, and there are indications in the reports and even more in the letter books of the Board that the authority which it did possess was exercised with considerable restraint. The original provisions were designed for a system in which the state held a minority interest and private individuals were encouraged to take the lead. When the state investment in fact became the majority one, neither voting privileges nor common practice and attitudes fully reflected the new situation. Though the state appointed directors in proportion to its stock interest, the votes cast by the state proxy were deliberately held to a minority. As both the Board and its critics pointed out, this meant that the state could be outvoted in stockholders' meeting and held to a deadlock in directors' meeting, since the two private directors and the president elected by the stockholders could combine against the three state directors.[36]

The method of appointment of state directors tended to make these possible conflicts infrequent. There was often an interchange of personnel between the rôles of state representative and company official. The Board's general practice was to choose from the list of the company's stockholders someone known to

[35] 36 BPW 1851, pp. iv-xxii. Turner, *op. cit.*, p. 229. See also 23 BPW 1839, p. 133.

[36] The Act of April 9, 1853 limited the state's votes to a maximum of two fifths of the total. 41 BPW 1859, pp. xvii-xviii. "Report of the Select Committee...", p. 17.

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the Board personally or by reputation, or recommended by members of the legislature or officers of the company. From 1847 on, though with occasional exceptions, the law provided that the state directors must be bona fide individual stockholders. In the case of one disputed appointment, the Board assured the company that it had no intention to create disharmony within the board of directors. In the early years state directors often acted also as state proxies. In 1838, the Board explained that this was no longer the practice, since larger sums of money were now involved and the proxy in a sense stood as a judge of the directors' work.[37] On one occasion the Board pointed out the inadequacy of the vigilance exerted by these unpaid officials:

> although, as far as this board knows, all these gentlemen are highly honourable and of irreproachable character, yet living in intimacy with the citizens of the community in which these improvements are made, it is seldom, especially in relation to work of minor importance and value, that the full benefit which might be effected through their vigilance is felt, or indispensable reforms in the management of their affairs introduced.

The legislature, however, did not follow the Board's suggestion to provide for special agents to make independent examinations and investigations.[38]

The Board took pains to avoid the impression of trespassing on the functions of the legislature, of the state proxies and directors, and of the company executives. Proxies were often told to follow their own judgment; and to letters asking the Board to take sides on issues of company policy, the answer was generally that the matter would be left to the proxy who was better informed than the Board. It was, as it announced, " very reluctant to obtrude upon the detailed administration of the various railroad companies." [39]

[37] Letter Books, August 18, 1841; March 13, 1838; December 4, 1860.

[38] 25 BPW 1841, p. 248 (paged with 24 BPW).

[39] 16 BPW 1832, p. 304 (paged with 14 and 15 BPW). Letter Books, March 2, 1841, June 20 1941; April 13, 1843; March 4, 1844. 40 BPW 1857, p. xii.

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The Board's lack of assertiveness was particularly striking in cases of controversies between companies. A dispute between two railroads — each state-aided — over the interchange of freight continued until one road built a line parallel with the other. The Board deplored the dissension but declared: "In the merits of this latter question, this board has never interfered by the expression of an opinion in favor of or against either side." The most persistent of these controversies was that among the three companies on the north-south route over arrangements for through traffic and the terms of a "through ticket". The Board made several attempts to bring about a settlement, by calling a joint meeting of the state proxies and directors of the several roads and by urging the companies to meet to settle their difficulties. Even here, however, the Board insisted that it offered its service only if no other course could be agreed on. In another case the Board acted as arbitrator at the request of both parties. But to use the state's power as stockholder to compel agreement was apparently not within the spirit of the system.[40]

There were, however, points at which the Board exerted a firm pressure. In the first place it attempted from the beginning to insist on adequate reporting. On its recommendation, the General Assembly as early as 1819 put the sanction of a fine behind the requirement of an annual report from each company receiving assistance. For these reports, forms of increasing elaborateness, covering both financial and physical data, were prescribed by the Board. State proxies and directors were instructed to see to it that reports were full and accurate, and that stockholders' committees reviewed annually the state of each company's affairs. The Board's pressure for reporting was kept up even after Virginia became a battlegroud. The substantial success of these efforts is attested in the remarkably full records which remain.[41]

[40] 34 BPW 1849, p. 4; 29 BPW 1844, pp. 260, 330 (paged with 28 BPW); 31 BPW 1845, pp. 255-256 (paged with 30 BPW). Letter Books, October 3, 1844; August 4, 1846.

[41] 3 BPW 1818, p. 11; 22 BPW 1837, p. 8. Letter Books, November 2, 1846. 43 BPW 1861-62 and 1862-63, p. 5.

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In the second place, the Board provided important engineering services and on occasion insisted on their use. Early improvements in Virginia had suffered for want of skilled direction. The Board felt a responsibility to prevent what Crozet called "injury to the commonwealth, in the substitution for the plans of their engineer, of some crudity of the 'practical man.'" [42] In 1831 the Board resolved to require a survey and location before payment of the state subscription. State proxies and directors were instructed to vote against departures from plans laid down by the Principal Engineer. For the small and struggling companies of the early period, the Board provided technical services somewhat similar to those of certain twentieth-century holding companies; and for much of its career the provision of such know-how was one of the most important functions of the Board.[43]

Pressure was exercised, particularly in hard times, for the protection of the state's immediate financial interest. In 1843, the General Assembly instructed state proxies and directors in any railroad or turnpike to vote for the reduction of salaries of company officials, and in 1858 ordered that rates on any work in which the state was financially interested should be set so as to yield the greatest net revenue. The nature of the divergence of interest is illustrated by the case of the Roanoke Company in which the state proxy favored and the majority of stockholders opposed an increase in tolls. The small stockholders, explained the proxy, who were generally planters on the river, had "a greater interest *as planters*, to keep down the tolls, than they have *as stockholders*, to increase them." [44]

[42] 4 BPW 1819, p. 24; 5 BPW 1820, p. 24; 15 BPW, 1831, p. 245 (paged with 14 BPW); 20 BPW 1836, p. 11.

[43] Letter Books, November 22, 1837. 18 BPW 1834, pp. 148-149 (paged with 17 BPW). For a fuller development of a similar point see a forthcoming study by Forest G. Hill, *The Role of the Army Engineers in the Planning and Encouragement of Internal Improvements*. At the end of the period there is a suggestion of reversal of the positions of state and private industry with respect to technology, when the French firm of de Bellot des Minières offers to complete Virginia's system of improvements providing technical know-how as well as capital. 41 BPW 1859, pp. xxxvii, xli.

[44] Resolution of March 16, 1843. Act of March 27, 1858. 31 BPW 1846, p. 280 (paged with 30 BPW). Italics in original.

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On a number of occasions the Board acted with determination to assert its influence in the early stages of company development and to correct abuses. When the Richmond and Danville Railroad was organized, the Board protested bitterly that the route had been chosen, engineers appointed, contracts let, and thus "a very large proportion of the private and public stock . . . irrevocably pledged," before the state's representatives were admitted to the board of directors. The next year the Board was able to report that, in the case of the Orange and Alexandria Railroad, representatives of the state participated, contrary to previous practice, in all the "important initiatory proceedings".[45]

A minor scandal on which the Board acted was that of the state director of the Red and Blue Sulphur Spring turnpike who was accused of violating his instructions and voting to route the road across his own land. In a more important case, the Board forced the breaking of contracts entered into by the Virginia and Kentucky successively with New York and North Carolina firms of contractors. In this venture the private stock subscription was almost entirely that of the contractor who expected to pay it mainly from his earnings on a contract set at "extravagantly high" rates. This appeared to be plain fraud, and the Board justified its action in the following terms:

> This board is sincerely anxious, at all times, to preserve and cultivate harmonious and kindly relations with the internal improvement companies of the state, and to cooperate with them most cordially in the prosecution of the enterprises confided to their care. But the duty which the board owes to the law and to the state is imperative, and must be performed without fear, favor or affection.[46]

Such were the functions performed by the Board of Public Works and such were the limitations of its control. The Board was not an over-all planning agency charged with the primary responsibility for creating an integrated transportation network. If that had been the intention, the Board would have needed

[45] 33 BPW 1848, pp. 292-295; 34 BPW 1849, p. 5.

[46] 24 BPW 1839, pp. 251, 377, 465-470; 41 BPW 1859, pp. xx-xxxvii.

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greater powers and a different spirit. Within its limitations it performed important functions of surveillance and oversight. It developed something of a general policy and state-wide view, and its influence tended to maintain engineering and financial standards. Its own reports and those it drew from the companies served to keep the progress of improvements under constant review. Its primary function was to administer a program of orderly subsidy and encouragement to private enterprise in the interest of the economic development of the state.

The Persistence of the System

One somewhat puzzling question remains for analysis. If the financial returns to the state were so meager, and if the results of the system remained under constant review, why was it not abandoned or curtailed? Why does not the story of Virginia, like those of a number of other states in the same period, show a process of disillusion with mixed and state enterprise?

Expressions of disillusion can of course be found. The president of the Petersburg Railroad remarked that in Virginia the results of a work had seldom "equalled the expectations of its projectors." The Board had often to report "nothing that is flattering" in the revenue account.[47] A limitation on the system was embodied in the Constitution of 1851 which forbade any pledge of the faith of the state for the obligations of any corporation. In 1856 the legislature ordered the cancellation of all contracts, except on the two state-owned railroads, until the state's bonds should again sell at par.

In 1860 there was a significant attack on the system as a whole. A Select Committee was appointed by the House of Delegates to report on the cost of finishing the improvements under way and on the expediency of selling out the state's interest in them. The Committee presented a dark picture of the financial state of the improvements, placed the cost of their completion at nearly forty million dollars, and unequivocally recommended that the state rid itself of its entire holdings. Pennsylvania had sold hers "with gratifying results". To do the same in Virginia would reduce the burdens under which its

[47] 17 BPW 1833, p. 46; 15 BPW 1831, pp. 356-357 (paged with 14 BPW).

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taxpayers groan, and do away with the injustice of taxing certain portions of the commonwealth for the benefit of others. "If an investment in these works can in any way and at any rate be made profitable, private capital will be found ready to embark in these enterprises and complete them; and if they cannot be made profitable to private individuals . . . the sooner we are freed from them the better." "*No government*", according to the Committee's italics, "*can manage public improvements with the same prudence, foresight and economy that characterizes those of private enterprise.*" [48]

The journals of the General Assembly record no debate on this report, but its acts provide significant comment. During the same session it passed a measure for reorganization of the James River enterprise, with a preamble reciting its faith in the incalculable benefits of the great central water line; and it authorized nearly five and a half million dollars of subscriptions and appropriations for internal improvements, the largest amount it had ever voted.[40] However the debate might have turned if war had not intervened, the fact remains that at the outbreak of war Virginia's commitment to state and mixed enterprise was rapidly mounting.

Why, then, did the faith persist? How could the projectors of enterprises, influential and prominent as they were, continue to persuade legislators to give increasing assistance? The answer appears to be that those who determined Virginia policy never wholly accepted the financial criterion laid down by the Select Committee. The motivation of the improvement movement was not entirely economic. Where it was economic, it was not wholly limited to advantages measurable in the returns to the enterprises themselves. Board and company records throughout the period abound in references to higher purposes and public spirit. The object is often described as "national", a term used sometimes, as in the case of the Dismal Swamp Canal, in the ordinary sense and in others clearly referring to Virginia alone. The Louisa Railroad was to serve by "uniting

[48] "Report of the Select Committee . . .", pp. 3-21, esp. pp. 16-18.

[49] Act of March 29, 1861. 42 BPW 1859-60 and 1860-61, p. 6. As Table I shows, not all of this was actually spent.

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in community and feeling, the two grand divisions of the state." Governor Tyler urged liberal state action to prevent advocates of internal improvements from being seduced by the false doctrine of federal aid. In the latter fifties a more urgent motive behind the expansion of the state program was to unite east and west of the state against impending conflict with the North.[50]

More often the argument ran in terms of broadly diffused economic advantages:

> The enlarged results of roads and canals can no more be confined to those whose toil, enterprise and capital first opened them, than the blessings of freedom and good government be restricted to the patriotic band who risked their lives and property in its establishment.

The Roanoke planters were concerned with advantages other than dividends. The Winchester and Potomac pointed to "the silent progress of the agricultural interests." For a time certain railroads held out the hope that they might be able to make their profits entirely on passenger traffic and haul freight as a public service. Attempts were often made to calculate the advantages bestowed by the improvements in increases of the tax base. The notable efforts of the town of Petersburg to promote improvements were described as carried on "to add to the trade of the town." Those of Virginia were largely for the sake of the trade of the state.[51]

The problem appeared as one of intense interstate competition. "The common aim of the Atlantic states" was the "trade of the great West". The prize would go to "that state which can place a ton of merchandise on . . . the Ohio river . . . for the least money." If Virginia could force through the mountain barrier, it could best both New York and New Orleans. But Virginians were warned that in this competition

[50] 28 BPW 1843, p. 5; 9 (Supplement) BPW 1825, p. 341; 32 BPW 1848, p. 55. Heath, *op. cit.*, p. 55. Ambler, *op. cit.*, pp. 311-319.

[51] 23 BPW 1839, pp. 171-172; 30 BPW 1846, p. 144; 21 BPW 1837, p. 312; 25 BPW 1841, p. 118 (paged with 24 BPW). Later economists, following J. B. Clark, would have called these advantages "inappropriables".

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their neighbors were outdoing them and that the "intelligent and enterprising citizens of the North" were pouring out "their treasures like water". Virginia was "almost circumvallated". Great efforts were needed for "the physical and political disinthrallment of this great mother of commonwealths." [52]

For such efforts, unaided business enterprise in ante bellum Virginia was manifestly inadequate. It was still a state of planters and farmers. There was in its transportation system virtually no big business, either of local or outside origin. The Baltimore and Ohio, traversing a corner of the state and still heavily dependent for capital on the city of Baltimore, was scarcely an exception. For the financing of Virginia improvements, the state, as has been seen, drew on the great markets of New York and London, and there were northern investors in the securities of the companies as well as in the obligations of the commonwealth. Enterprise, however, was still mainly local and there were only the first signs of a combination movement even among the roads of the north-south line. Under these circumstances the companies eagerly sought government aid, and the state's decision to take upon itself the burden of building the two mountain roads was welcomed as still further subsidy.[53] Private business was not yet strong enough to resent this sort of "interference" or to claim for itself the entire field of improvements.

If business enterprise could at the time provide no efficient alternative, the persistence of the faith in state encouragement —as in other underdeveloped areas then and now—may need no more elaborate explanation than that suggested by the words of Governor Giles: "These improvements are demanded by so many considerations of public and private interests, that they will be acceptable to the country through which they pass, on any terms they can get them." [54]

[52] 12 BPW 1828, pp. 262-263; 4 (Supplement) BPW 1820, p. 111; 35 BPW 1850, p. 416; 15 BPW 1831, p. 262 (paged with 14 BPW); 39 BPW 1855, p. xvii.

[53] "Never once was the cry raised that the state was establishing a dangerous precedent." Turner, *op. cit.*, p. 136; see also pp. 194, 201-202.

[54] 12 BPW 1828, p. 366 (paged with 11 BPW).

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Envoi

> The commencement of hostilities between the Confederate States and the United States caused such a temporary depression in the value of the securities of the state of Virginia, that the negotiation of loans for the prosecution of our internal improvements, on the terms prescribed by law, became impossible. . . .On the 22nd day of April 1861 the board of public works, with a feeling of the most painful regret, made an order for the suspension of work on the Covington and Ohio railroad.

—This may be taken as the end of the development of the Virginia system as analyzed here. The Board in the same report declared that the value of the wartime services rendered by the railroads of the state had been "beyond the reach of computation". Fifteen years later, a committee of the Virginia Senate, looking back on a still less encouraging fiscal record, nevertheless maintained that the money spent on Virginia railroads had been more than justified by their contribution to the aggregate wealth of the community.[55] Here was evidence of unreconstructed faith in a method of state action for the promotion of economic development.

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[55] 43 BPW 1860-61 and 1861-62, pp. 7, 11. "Report of the Senate Committee on Finance Relative to the Public Debt", *Virginia Senate Journal, 1877-78, Document Number 24*, p. 8.

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THE TRIPARTITE PROBLEM OF SCARCE CURRENCIES

ONE of the most controversial and difficult problems in connection with establishment of the International Monetary Fund was that of "scarce currencies". It was understood at the time of the Bretton Woods Conference that the currency of the United States, among all the world's currencies, was the most likely to become "scarce"; and the scarce currency provisions of the articles of agreement of the Fund were worked out primarily with reference to the United States. However, some aspects of the scarce currency problem, particularly as applied to the United States, do not appear to have been adequately described. Further consideration of the conditions under which the currency of a particular nation becomes scarce may provide practical suggestions for improvement of the operation of the International Monetary Fund, and for prevention of the conditions leading to serious cases of scarcity of the currency of one of the members of the Fund.

The scarce currency problem, as it has showed up in foreign exchange operations during the past few decades, it not a simple or single problem. There are three separate groups of conditions, differing markedly from each other, under which nations find it difficult or impossible to obtain sufficient foreign exchange or other means of payment for urgently desired imports from another country. The remedies for these three situations are as distinct and separate as the circumstances. The three situations are: (1) disturbances in a country needing foreign exchange; (2) disturbances in a country, such as the United States, whose currency is needed by other countries; and (3) inadequacies or disturbances in the supply of a form of circulating medium common to the monetary systems of many nations and therefore usable in settlement of international balances of payments remaining after exhaustion of mutual claims on foreign countries.

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I

The most readily understood of these three situations is the first, when a nation has great need for goods available abroad, but due to economic disturbances or inadequacies within its own borders is unable to offer sufficient other goods and services for sale in the international markets. This is the familiar situation in Western Europe as an aftermath of war. It is a situation in which the United States dollar is as much sought after as in the nineteen-thirties, but it is vastly different in character from the scarce dollar problem of that period.

The character of the remedy for this kind of scarce currency situation is also now well understood. Reconstruction, expansion of productive facilities, and improvements in techniques of production are needed. In serious cases, international gifts and long-term loans for these purposes may be required. The operations of the International Bank for Reconstruction and Development and the European Recovery Plan are the right kind of solution for this aspect of the scarce currency problem.

Before passing on to consideration of the other types of scarce currency situations, it should be noted that the aftermath of war may not be the only circumstance in which several nations or a large part of the world may be afflicted by the first type. The pure theory of the world-wide advantages of free trade rests on assumption of freedom of movement not only of goods and capital, but also of persons and ideas. When there is substantial curtailment of one or more of these freedoms, as has been the case for many decades, one country with great resources, such as the United States, may develop its techniques of production so far ahead of other countries that trade becomes one-sided. It appears possible for most of the world to be far more desirous of obtaining goods from the one advanced country than that country is to obtain goods from the others, even in the absence of special disturbances such as the aftermath of war. This circumstance may be a part of the problem of the international scarcity of American currency today. If so, the solution appears to be widespread participation by the people of the United States in the advance of technology and improvement of methods of production abroad.

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II

The emphasis at the Bretton Woods conference on the problem of scarce currencies, by representatives of countries other than the United States, was derived from the experience of the nineteen-thirties. In that period other countries experienced great difficulty in securing American foreign exchange, though they had resources available for producing goods and services for export. This scarcity of American currency developed in the early part of that decade, when imports of foreign merchandise by the United States were sharply curtailed.[1] The seriousness of this curtailment is indicated by figures of the value of our purchases of foreign merchandise and services and other current items requiring payments abroad, and therefore supplying dollars to other countries. Sharp contraction of American imports was a far more important factor in creating scarcity of dollars than the decline in American loans and investments abroad, which is frequently assumed to have been of primary influence. During the five years subsequent to 1929 our imports and other current factors supplying dollars abroad were $14 billion less than during the five years which ended with 1929. The outflow of American capital during 1930-1934 was only $5 billion less than the amount during 1925-1929.

The contraction in American imports does not appear to have been a result of economic conditions abroad, since the reduction in those imports led in the development of the world-wide economic depression. The decline in American imports and other current payments abroad is, however, very closely related to the great depression in the United States. This is indicated by the

[1] The article by E. M. Bernstein, "Scarce Currencies and the International Monetary Fund", *Journal of Political Economy*, vol. LIII, No. 1, March 1945, refers only to the late nineteen-thirties as a time of scarcity of United States currency. He attributes this scarcity primarily to abnormal capital movements with the depression in the United States a contributing factor. However, foreign countries, in the early nineteen-thirties, resorted to depreciation of exchanges, preferential tariff arrangements, quantitative import controls, and exchange restrictions, in order to avert in their countries the impact of reduced exports to the United States. (*International Currency Experience: Lessons of the Postwar Period*, League of Nations, 1944, pp. 107-108.) It is the necessity for such adjustments, rather than the quantity of gold imported into the United States, which constitutes the evidence of a shortage of dollars.

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figures in Table A.[2] In this table the value of current payments from the United States to other countries is compared with the value of aggregate expenditures in the United States for final products of the economy.[3]

Estimates are also given of the difference, during the nineteen-thirties, of the value of our imports and other current payments abroad and the value which might have been expected had we avoided the great depression in this country.

These estimates indicate that, had we maintained in the United States during the nineteen-thirties a stable price level (at the 1923-1928 average) and a normal rate of production, we would have purchased merchandise and made other payments on current account amounting approximately to $77 billion for the decade. This figure is substantially more than twice our actual $34 billion of imports and other payments on current accounts. The scarcity of American currency abroad resulting from our depression is estimated to have averaged more than $4 billion a year during the nineteen-thirties, or a total of $43 billion for the decade.

Various explanations have been offered for the occurrence of the great depression in the United States. Of these, the most reasonable and convincing is the severe monetary deficiency relative to a reasonable rate of growth which began in the late

[2] Perhaps a part of the reduced value of imports in 1930 and subsequent years should be attributed to the higher tariff rates which went into effect in June 1930. Definite separation of the effect of the depression from that of the increased tariff rates is not possible, but two facts support the conclusion that the former was far more important than the latter. First, monthly data show that the decline in value of United States imports began in the latter part of 1929 and became relatively greater as the depression deepened but was not curtailed sharply at the date when the new tariff rates went into effect. Second, the 1935-1937 recovery and the 1938 depression were accompanied, respectively, by a substantial increase and a sharp decrease in the value of imports, and the data for 1921 also show the marked effect of business depression upon the value of imports.

[3] Aggregate national expenditures for the final products of the economy include consumers' outlay on goods and services, business outlays for construction and durable producers' goods, and government expenditures for goods and services. This aggregate differs from the gross national product as estimated by the Department of Commerce by omission of change in business inventories, net foreign investment, and the portion of "personal consumption expenditures" not involving payments for final products.

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nineteen-twenties. Monetary deficiency, either in the mild form of absence of growth in the nation's circulating medium when population and productivity continue to increase, or in the more severe form of contraction of that medium, makes it impossible for the business enterprises of the nation to sell the output

TABLE A

RELATION OF AMERICAN IMPORTS AND OTHER CURRENT PAYMENTS ABROAD TO THE GREAT DEPRESSION

(amounts in billions of dollars)

Year	Aggregate expenditures for final products[a]	U.S. imports and other current payments abroad[b]	Ratio of current payments abroad to expenditures for final products	Estimated normal value of final products at 1923-1928 price level[c]	Estimated normal value of U.S. current payments abroad[d]	Cumulative deficiency of actual value of current payments below normal 1930-1939
1922	67.5	4.4	6.5%	75.0	4.9	...
1923	77.4	5.1	6.6	77.8	5.1	...
1924	79.1	5.0	6.3	80.6	5.3	...
1925	84.5	5.7	6.8	83.5	5.5	...
1926	89.4	6.0	6.7	86.5	5.7	...
1927	88.9	5.8	6.5	89.6	5.9	...
1928	91.0	5.9	6.5	92.8	6.1	...
1929	94.4	6.4	6.7	96.2	6.3	...
1930	84.0	4.8	5.7	99.6	6.5	1.7
1931	71.5	3.5	4.9	103.2	6.8	5.0
1932	56.1	2.3	4.1	106.9	7.0	9.7
1933	53.1	2.3	4.3	110.8	7.3	14.7
1934	61.5	2.6	4.2	114.7	7.5	19.6
1935	67.1	3.3	5.0	118.9	7.8	24.1
1936	77.1	3.7	4.7	123.2	8.1	28.5
1937	83.1	4.5	5.4	127.6	8.4	32.3
1938	79.8	3.3	4.1	132.2	8.7	37.7
1939	84.3	3.6	4.3	136.9	9.0	43.1

[a] Personal consumption expenditures (excluding items not involving payments for final products), business expenditures for construction and producers' durable equipment, and government purchases of goods and services. Data for 1929-1939 from *National Income Supplement to Survey of Current Business*, July 1947, pp. 19 and 47; for 1922-1928 from National Bureau of Economic Research estimates, adapted for comparability with the estimates for subsequent years.

[b] Hal B. Lary and associates, *The United States in the World Economy*, United States Department of Commerce (Washington, 1943), Table II.

[c] Extrapolated from pre-depression trend of 3.6 per cent growth per year.

[d] Estimated at average percentage of value of final products in 1923-1928.

NOTE: Because of rounding, percentages and amounts of normal value and deficiency may differ slightly from those computed directly from the figures in preceding columns.

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which they are capable of producing at the prices which they have become accustomed to receive—except in the contingency that the people of the country alter their habits with respect to the frequency or rate of use of money.

Study of the pertinent statistical data indicates that monetary deficiency began in the United States about the middle of 1928, approximately a year before the peak was reached in the volume of production. For several years preceding that date, monetary expansion, though somewhat irregular, had averaged nearly 5 per cent per year. This rate was normal, since it was about the sum of the rates of growth in population and productive capacity per capita, and a tendency of individuals and enterprises to hold larger cash balances relative to expenditures for the final products of the economy. In the spring of 1928, growth in the quantity of the nation's circulating medium or money supply ceased. Five years of monetary contraction followed. For the first half of this period the average rate of contraction was slight, since contraction was occasionally interrupted by brief periods of expansion. During the latter half of the five-year period the contraction was unprecedentedly severe. By early 1933 the aggregate of cash balances held by individuals and business enterprises was only 60 per cent of the amount which would have been reached by a normal rate of growth during the preceding five years.[4]

From the banking holiday in 1933 to the end of the decade, a mild rate of monetary expansion, averaging 2 per cent per year more than a normal rate of growth, with an interruption in 1937, was accompanied by a mild rate of recovery interrupted in 1937-1938. Under the stimulus of war, monetary expansion proceeded in subsequent years at an abnormally high rate, averaging about 11 per cent per year higher than a normal rate of growth for the six-year period from the end of 1939 to the end of 1945. The recovery process was speedily completed; and the monetary expansion in excess of the amount needed to

[4] For the data, see Clark Warburton, "Quantity and Frequency of Use of Money in the United States, 1919-45", *Journal of Political Economy*, vol. LIV, No. 5, October 1946, and "Bank Reserves and Business Fluctuations", *Journal of the American Statistical Association*, vol. 43, December 1948.

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provide full employment has boosted prices of the output of the economy to a level about 50 per cent higher than that of the prosperous part of the nineteen-twenties and 75 per cent higher than in 1939.

By far the most important contribution the United States can make to economic stability and prosperity throughout the world is to reform its own monetary machinery so as to provide a continuous reasonable rate of monetary expansion instead of alternating and erratic periods of monetary deficiency and of excessive monetary expansion. This problem is not one of lack of power on the part of the monetary authorities of the government. The power has been amply demonstrated. The problem is the absence of a suitable guiding principle for the exercise of monetary powers.

When the Federal Reserve System was established, the relation of the operations of a central bank to the total quantity of money in the nation was not well understood even by specialists in the theory of money. Also, in the United States the problem of an erratic quantity of bank reserves, and therefore the problem of an irregular total quantity of the circulating medium, appeared to be associated with the problem of issuing currency and of converting bank deposits into currency as needed. In view of the character of the monetary problems which had been observed in the latter part of the nineteenth century and the first decade of the twentieth, it is not surprising that insufficient recognition was given in the framing of the Federal Reserve Act to the powerful effect which operations of the Federal Reserve banks might have on the total quantity of bank reserves and hence on the total quantity of the circulating medium in the nation. In consequence, it is understandable that the only guiding criterion inserted in the Federal Reserve Act for "credit control", or the monetary policy of the System, was the vague principle of "accommodation" of commerce and business. It is also understandable and inevitable that in time of war, when the chief business of the nation is procurement and use of armament by the government, the accommodation of "business" should become the accommodation of the federal treasury.

The vague principle of "accommodation" is not an adequate

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criterion for central bank policy. It is therefore suggested that Congress adopt as a basic guide for the exercise of the monetary powers of the Federal Reserve System the principle of a rate of monetary expansion in accord with general trends in the volume of production and in habits of use of money associated with purchase of the current output of the economy. Adoption of such a guiding principle would not only introduce a powerful stabilizing force into our own economy, but would also serve as a notice to other nations that we have removed from our monetary system the defect which nearly two decades ago plunged the world into economic catastrophe. Assurance of monetary stability with a reasonable rate of growth in the leading nation of the world is the remedy for the kind of scarce currency problem which afflicted many countries in the nineteen-thirties.

III

Before discussing the nature of the third type of scarce currency problem and the appropriate remedy, some comments are needed on the relation of the gold standard to the articles of agreement of the International Monetary Fund.

Discussions of post-war monetary problems at the time of preparation of the articles of agreement of the International Monetary Fund showed two basic attitudes, apparently contradictory, regarding restoration of the gold standard. On the one hand was a conviction that some form of gold standard is still desirable as a means of maintaining confidence in the currency, preventing undue monetary expansion, and establishing a base or set of par values for stable foreign exchange rates. On the other hand was a general acceptance of the thesis that whether or not a return of the pre-1930 international gold standard is technically feasible or theoretically desirable, nations are now too conscious of the risks of unemployment induced by monetary contraction to permit domestic monetary policy in the future to be geared to gold movements when such movements are in the direction of a net outflow. Acceptance of the latter point of view is associated, by experts who have analyzed its relation to the problem of the monetary standard, with the assumption that it necessitates maintenance of the respective

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national monetary systems on a "managed" basis, rather than on the traditional gold standard as formerly understood.

The nature of the articles of agreement of the International Monetary Fund indicates that they are essentially an attempt to develop a working compromise between the existence of numerous national "managed" standards and retention of the gold standard for international payments. The plan provides for assignment of gold par values to every nation's currency unit and for convertibility for use in international payments of such currency into gold and vice versa. The plan also provides for changes from time to time in the respective gold par values of the domestic currencies, with moderate changes made by unilateral action of one country and more drastic changes after consultation and agreement with the other members of the Fund. Such changes in gold par value presumably will become necessary from time to time because the domestic monetary policies of the various countries are not expected to be geared directly to the balance of international payments as in the case of the gold standard operating internationally in accord with traditional theory.

One aspect of the traditional gold standard has not been given sufficient attention in connection with this attempted compromise between the gold standard for international payments and a group of "managed" monetary systems. This is the fact that the pre-1930 gold standard involved the simultaneous use of gold in each nation for two purposes: (a) as an international currency flowing freely from one country to another in response to changes in the balance of international payments, and (b) as an arbiter of domestic monetary policy.

The rôle of the gold standard as arbiter of domestic monetary policy was acomplished primarily through a fractional reserve system whereby the banking system of each nation was required by law or custom to maintain a given amount of gold relative to the quantity of the domestic circulating medium. When, therefore, the balance of international payments resulted in a flow of gold into a country, the increased reserves stimulated an expansion in the circulating medium, while a gold outflow made necessary a contraction of the circulating medium.

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If an examination is made of the practical operations of the international gold standard, with specific reference to the adequacy of domestic monetary policy tied directly to gold movements, the case seems clear that gold movements did not prove to be an adequate guide to domestic policy. It seems evident, for example, that a substantial expansion in imports without a corresponding prompt expansion in exports, with a consequent outflow of gold, is not at all a good reason for inducing monetary contraction or even for eliminating, without actual contraction, the normal growth in the domestic circulating medium. A net gold outflow may be a useful reminder that exports should be increased or imports reduced, but it is hardly a sensible reason for attempting to contract the quantity of money within the nation. Recognition of this situation has been one of the important influences, probably the dominant influence, leading to the development of central banks in the various nations. In considerable measure central bank policies have been designed to avert the adverse effects of gold movements, either (a) by directly influencing gold movements, chiefly through discount rates relative to those prevailing in other countries, or (b) by offsetting gold movements with expansion or contraction of the central bank's own credit. The former was the chief technique of the Bank of England prior to World War I, the latter the chief technique of the Federal Reserve Board during the nineteen-twenties.

If the various national currencies in the future are "managed" currencies, though tied more or less closely to gold through the gold par provisions of the articles of agreement of the International Monetary Fund, the rôle of gold reserves in the various countries will be vastly different from what it was under past forms of the gold standard. If nations do not permit domestic monetary policy to be geared to gold movements, gold reserves obviously will no longer be the arbiter of domestic monetary policy. Some other criterion of monetary policy will not only prevail in practice, as has in fact usually occurred in the past in countries with strong central banks, but will also be frankly acknowledged. The various countries of the world will therefore find themselves facing the problem of developing spe-

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cific criteria for the management of their domestic currencies. Such criteria will presumably be selected with the aim of producing the monetary condition most favorable to full use of the nation's productive resources and the elimination of unemployment.

The basic criterion underlying management of a nation's monetary system for the purpose of preventing unemployment and fostering full use of the nation's resources, without price inflation, has long been worked out in principle in economic theory. This criterion is an application to money of the principle of supply and demand in a form frequently described as the quantity theory of money. This theory, simply stated, is that changes in the level of prices in a country are determined by changes in the quantity of money (including substitutes for money which are customarily used as circulating media or held by business as cash reserves) relative to changes in the volume of production or trade and in habits of use of money. The theory is related to the problem of unemployment because (a) monetary contraction or expansion at less than the normal rate tends to result in falling prices, (b) falling prices tend to reduce business profits because of "sticky" costs, and (c) reduced business profits tend to reduce production and employment.

Practical application to monetary policy of the theory of the value of money and its relation to business fluctuations requires a more careful analysis of the basic factors involved in the need for money than was made by the persons who originally developed the quantity theory. Such an analysis indicates that for full production, without price inflation, it is desirable that the quantity of money should be expanded at a rate approximately equal to the sum of (a) the rate of growth of population, (b) the rate of growth of productive capacity per capita, and (c) the trend, if any, in habits of use of money as reflected in data regarding the circuit velocity of money.[5] This is the cri-

[5] See the articles referred to in footnote 4 and also the following: "Monetary Theory, Full Production, and the Great Depression", *Econometrica*, vol. 13, No. 2, April 1945; and "The Misplaced Emphasis in Contemporary Business-Fluctuation Theory", *Journal of Business of the University of Chicago*, vol. XIX, No. 4, October 1946.

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terion proposed above for adoption by the Congress of the United States.

Adoption of a criterion of this type as a guide to monetary policy automatically eliminates the primary domestic function of gold reserves. The quantity of gold held by the central bank of a country, and therefore gold movements into and out of the country, will no longer be of significance with respect to domestic policy. Imports of gold will displace other assets of the central bank, and exports of gold will be accompanied by acquisition of other assets by the central bank, in order that the reserves of commercial banks held with the central bank, and therefore the quantity of money in the country, will not be disturbed. This means a freely variable ratio of gold to other central bank assets and therefore to central bank liabilities serving as reserves for commercial banks. Adoption of the criterion of a reasonable rate of monetary expansion as the guide to monetary policy therefore means in practice the abolition of required gold reserve ratios. If required gold reserves are abolished in practice they should also be abolished in law.[6]

IV

The dual use of gold under the traditional gold standard—as international currency, and as domestic bank reserves dominating internal monetary policy in the various gold-standard countries—was partly responsible for the disturbance in international trade in the nineteen-thirties. Attempts to hold gold as domestic reserves by an increasing number of nations, together with the larger amounts needed in the various countries as the amount of their domestic currencies expanded, reduced the amount of " free " gold available for use as an international currency relative to the international trade of gold-standard countries. A shortage of gold for use as international currency, as has been pointed out in a League of Nations report, occurred at times when increasing amounts of gold were needed for domestic monetary reserves.

[6] This applies chiefly to the United States. In other countries gold reserve requirements are for the most part customary rather than legal.

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In 1929, when the greater part of the world, except Russia and China, was on the gold standard, the gold reserves of forty-one countries amounted to $9.4 billion (at the pre-1934 gold content of the dollar), of which $7.2 billion, or more than three fourths, was legally required to support domestic currencies. In addition, central banks felt impelled to hold a substantial additional quantity of gold for fear of breaking the law, if the balance of payments required an outward movement of gold.[7] If this customary cushion was about one fifth of the required amount, as is suggested by the League of Nations report, less than $1 billion of gold held by central banks was really available for active use as international currency.

The problem of scarce currencies which afflicted international trade in the nineteen-thirties was thus caused in part, or at least aggravated, by a shortage of free gold—that is, of gold not tied up in domestic monetary reserves—when most of the nations of the world attempted to gain the advantages of stable exchange rates by placing themselves on the gold standard.

The solution suggested above for the problem of a guiding principle for domestic monetary policy also paves the way for an effective solution of the problem of sufficient free gold for active use as an international currency. By elimination of legal and customary gold reserve requirements against domestic currencies or bank deposits, the gold of the world would be released for use as an international currency. If the gold of the world, or even that portion of it held in the United States, were released for such use, there would be no shortage for use as an international currency. Central banks, governments, and the International Monetary Fund now hold about $34 billion of gold reserves, of which $24 billion is held in the United States.[8]

If a substantial part of the world's gold were transferred to the ownership of the International Monetary Fund by payment of the capital subscriptions of the various nations, or most of them, in the form of gold, the Fund could be empowered to issue its own gold certificates and to maintain gold accounts in

[7] *International Currency Experience*, ch. iv, especially p. 12, and ch. ix, section 2.

[8] *Federal Reserve Bulletin*, June 1949, p. 744.

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a form which could be used directly in the settlement of international balances of trade. If each member of the Fund were to agree to convert all gold certificates of the International Monetary Fund presented to its central bank into its own domestic currency at the gold par rate agreed upon, *or* in lieu thereof to permit the gold certificates issued by the International Monetary Fund to be a legal means of payment within the country, and the leading nations would also agree that gold certificates of, or gold accounts with, the International Monetary Fund would not be a part of any required bank reserves, the gold holdings of the Fund would become a genuine international currency usable in any country which is a member of the Fund.[9] The loan provisions and operations of the Fund would be greatly simplified, since advances by the Fund would be in the form of gold certificates, or of transferable gold accounts, rather than in national currencies.

Utilization of the gold of the world as an international currency would make the gold now held by the United States far more useful, both to the United States and to the rest of the world, than it is at the present time. As long as gold is required to be held by the banking system in a certain proportion to domestic bank deposits and currency, when the total amount of such deposits and currency does not in practice depend upon the quantity of gold, the gold held as required reserves is no more useful than some other type of asset. Under present conditions gold cannot be used by citizens of the United States as a domestic circulating medium or as a store of value, nor can it be used by commercial banks for the original purpose for which metallic reserves were held, nor is it used for the purpose of controlling the total quantity of money in the nation as it was under the gold standard prior to the establishment of the Federal Reserve System. That portion of our gold stock which is held

[9] It is recognized that payment of capital subscriptions in gold might require a relatively greater contribution by the United States to the capital of the Fund; and that immediate implementation of the agreement regarding conversion of Fund gold certificates into national currencies or their circulation as legal tender might not be feasible in all countries. Provision could be made for approval by the Fund of a reasonable delay in the effective date of this agreement.

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in required reserves cannot be used as a circulating medium abroad. The greater part of our vast hoard of gold has become a solidly frozen and therefore useless asset of the banking system. It should be unfrozen and made to serve a useful purpose in the world. When this is done, any portion of it which comes back to this country in the form of gold certificates issued by the International Monetary Fund would be a valuable asset of the nation, because it would be available for use by American citizens as purchasing power throughout the rest of the world.

Whether gold certificates issued by the International Monetary Fund would in practice be held only by the various central banks of the world among their assets, or would come to be held by individuals and business enterprises throughout the world, would depend on whether the various members of the Fund provide only for conversion of the certificates into domestic currency at their respective central banks or authorize use of International Monetary Fund gold certificates as a legal means of payment within the various countries. If the latter authorization is given, and use of the certificates as a domestic medium of exchange were to become common in a substantial number of countries, a shortage of the certificates for use as international currency might conceivably occur.

To deter the development of customary use of International Monetary Fund gold certificates as domestic circulating medium, even though numerous nations permit them to be thus used, those certificates should be issued by the Fund only in large denominations. To avoid introducing into the world a new monetary unit with a new term, and at the same time to avoid adoption of any one national currency unit as an international unit, it is suggested that International Monetary Fund gold certificates be issued in a suitable metric unit of weight, probably a kilogram as the smallest unit. A kilogram contains 32.15 troy ounces, so that a kilogram of gold at the price of $35 an ounce is worth a little over $1,125. Each certificate could carry a table of values in the currency of each of the members of the Fund, either in terms of gold pars or in terms of the minimum amount of the respective domestic currencies (not more than

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1 per cent from gold par) which the central banks have agreed to exchange for it.

V

With this kind of an international currency and a reasonable monetary policy in the United States the scarce currency problem of which nations other than the United States are so fearful would be reduced to negligible proportions. The conditions which produced the world-wide shortage of American currency in the nineteen-thirties would be removed. Shortages of international currency would not show up, as has been the case in the past, in the form of an inadequate supply of a satisfactory means of payment for use in the country to which a payment is necessary. Any country, of course, might exhaust its own holdings of gold or of the International Monetary Fund gold certificates, but it could obtain such certificates by selling its own products (or by borrowing) in any other parts of the world. The various restrictive devices designed to build up supplies of particular foreign currencies would become unnecessary. Inability of one country to obtain a satisfactory amount of international currency to meet its international obligations would be a signal that domestic policies, or the gold par of its own currency, needed modification, rather than an indication of the " scarcity " of some other nation's currency.

Adoption of this proposal would also have other advantages. It would simplify the work of the International Monetary Fund, and reduce or eliminate the tendency for the Fund to lose currencies commonly used as an international medium of exchange and to accumulate those undesired by other countries. If an additional supply of international currency should be needed, it could readily be provided by further capital subscriptions to the Fund, or by simple issuance of additional certificates in exchange for gold. The Fund gold certificates could be utilized by nations with disturbed domestic currencies as an aid in determining the real value of their own currencies. By permitting domestic use of such certificates, rates of exchange between their own currency and that of other nations would be established by

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market conditions not only in foreign trade but also in their own domestic trade. The Fund gold certificates would also be helpful in providing an adequate currency system, geared to that of the big nations, in the nooks and crannies of the world. Provision could be made for use of Fund gold certificates, with the approval of and under conditions specified by the Fund, as backing for domestic currencies in small countries and areas where independent national or local currencies are impractical and it is desired to avoid dependence upon the currency of a larger neighboring nation.

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THE HOOVER COMMISSION REPORTS

PART I

1. *General Nature and Value of the Hoover Reports*

THE paramount question is, whether a multitude of neatly conceived homunculi can ever add up to one living man. This is the quintessential thought aroused by the many reports of the Hoover Commission. As we shall see, the Commission has managed to furnish interesting and important reports about the principal segments of the federal government's business, and to say much also of value regarding the subject of "General Management" as it stems from the chief executive. But anything like the picture of the hand of God awakening the whole man, as in the Michelangelo of the Sistine Chapel, has not been painted: the soul of administration is absent.

Only the higher criticism can be accommodated in the present allowance of space. For a summary of the Hoover recommendations the reader must look elsewhere,[1] and familiarity therewith is presumed. For controversy regarding the details of the departmental proposals, also, other sources must be scanned. This discussion concerns the general nature and value of the Commission's work. It may be acknowledged at once that it is very easy to alienate academic friends by candor—I must beg their indulgence and ask them to remember Thomas Jefferson.

The discussion must proceed along the following lines: (1) a balancing of the merits and demerits of the way in which the Commission thought and wrote; (2) attention to the chief recommendations; and (3) a note on the future of governmental reform in the United States. Of course, it is quite impossible in this article to bear more in mind than the reports on General Management, Personnel Management, Budget and

[1] *Public Administration Review*, May 1949.

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Accounting, Foreign Affairs, and National Security Organization, and they must be touched on according to the main themes, and not *seriatim*, each report for its own subject matter.

The reports render three outstanding services: the research of fact, the statement of administrative principle, the elucidation of management problems with recommendations for their solution.

(a) *The research of fact.* This is a precious donation to the public, to teachers, and to students. Once again, but in more profundity than before, they are presented with a picture of the working practices of the government departments. The picture is not as lively and detailed for the President, which is a pity, since he is the kingpin, and the omission makes darker what should be all the more illuminated by contrast with the light thrown on the departmental arms and wings of the President. The task forces take the credit for this service. Of course, much information already existed. Some reformers would be inclined to say that all the information necessary to a reorganization not only was already available, but was even excessive, provided as it has been by the shock troops who have gone over the top almost every decade since the Taft Commission on Economy and Efficiency in 1910, and by almost annual researches by the committees of Congress wielding the power of the purse.

At any rate, no one can hereafter assume the patriotic stand which has tended to become widespread since the miraculous improvisation of victory between 1940 and 1945, and of magnificent domestic and international initiative since then, namely, that all is for the best in the best of all administrative worlds. For this is the official summary (only too well supported by the departmental evidence):

> Definite authority at the top, a clear line of authority from top to bottom, and adequate staff aids to the exercise of authority do not exist. Authority is diffused, lines of authority are confused, staff services are insufficient. Consequently, responsibility and accountability are impaired.[2]

[2] General Management of the Executive Branch, p. 1.

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And again,

> It is appalling to find how much animosity has developed around some departmental staffs. And undoubtedly a good part of the fault lies with the staffs themselves. They have insisted upon various prerogatives, have been jealous of their influence, have tended to oppose any ideas which were not first discussed with them. In short, the common reputation of some departmental staffs is one of obstruction, interference, and incompetence.[3]

Thus, it is seen, parenthetically, to have been a good move by somebody to have managed the research under the aegis of former President Hoover, a mixed Congressional-Executive commission bipartisan in composition, and served by the three worlds of the universities, private industry, and public officials.

The admissions made in the reports raise two questions. The first is, whether, the argument being so high, the Commission ever rose to the true height of this great argument—we consider this later. The second is, what is the function of such a Commission? It has produced the facts; yes. All of us will be for long grateful for its painstaking care. But is it not then necessary to go on from the facts to a valid conclusion? We shall see that at this point the Commission in some of the most important matters does not merely falter, it abdicates, and tumbles from truth to triteness. Even more important, perhaps, is this consideration: no commission is sure of practical results, for it is at the mercy of a hundred irrelevant political hazards; but it can make sure of the one thing in its own power, to educate the public, and help to change the climate of opinion, the surest long-term guarantee of success. For this, however, a commission needs to have a certain majesty of view, some philosophic vision, a lofty stature in comprehension. I believe I can carry all readers of the reports with me when I suggest that this function of the Commission, entirely in its own hands, is not fulfilled: the quality was not present as it was in the organization, research, and thinking in the Report and Studies of the President's Commission on Administrative Management of 1937. And the reasons will soon be plain. The Hoover

[3] Appendix E, p. 17.

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Commission does not provide the grounds for young men to take a leap forward.

(b) *The statement of administrative principle.* As F. H. Bradley said: "Every criticism implies a canon." The task forces, moved by their canons, burrowed; and by the same impulsion, they state the principles of public administration in the general and the special reports. This is a most valuable exercise. It is true that practically everything they deploy is to be found in the textbooks of administration (including some in the process of writing) by the outstanding authorities like Arthur Macmahon, Schuyler Wallace, John Gaus, Leonard White, John Millett, and in the series of works on the various departments sponsored by the Public Administration Clearing House. But it is important in a democracy to take advantage of such means as a governmental commission to abridge the usual time lag between the discoveries of the scientists and artists and the mind of the masses. These last will be, only in the long course of time, the indirect recipients of the precious knowledge by which they can be saved, but the opinion leaders are usually impatiently avid for such succor.

Yet it must be said that many of the statements appear again and again, and something is surely lost in every way, including the Commissioners' own clear thinking, when petty matters of management are repeated so often, and indeed, I must confess, *ad nauseam.* This results in what the teachers of English call "the forcible-feeble", or what Walt Whitman would have called the "bang-and-the-whimper" style. Here is an example from among scores (I find it difficult to choose):

> Department heads must . . . on occasion be prepared to say "no", to insist upon change, to require loyal acceptance of the department's best judgment about policy and program. Departmental direction and supervision must evidence team leadership, but be prepared to act decisively when individuals refuse to "stay in line." . . . Departmental management is of little value unless it is prepared to emphasize general purposes and economies above special purposes and extravagances.[4]

[4] Appendix E, p. 18.

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To this, one is inclined to chant, "You don't say!", excepting that it deserves a more indecorous kind of comment. For style portrays the mind, and this will be better understood when we presently turn to the recommendations regarding the departmental chiefs and their relationship to the President, their undersecretaries, and their short tenure of office. When a report mixes material of an objurgatory kind along with wisdom, naturally the wisdom loses some of its penetrative quality. Nor is it healthy for the students of public administration to be faced with an exhibition of inferior composition.

(c) *The elucidation of management problems.* In every case the reports apply their administrative principles to the reorganization of the departments. They have in mind, first and foremost, the function of the department, and in the light of this and of certain general principles of management make intensive inward proposals, almost always of a most drastic nature, for change. This is naturally destined to be the most concretely valuable part of the Commission's work; for, even if it has made errors in the field of personnel, and has almost utterly abdicated (as I think it has) in the field of the superior unity of the whole executive branch, much direct good must result from the institution of the arrangements and principles it recommends. These recommendations will even be of some, though I fear slight, assistance to the general problem of coördination at the highest level of presidential government.

This part of the Commission's work (on the way to being implemented through Reorganization Acts passed by Congress, giving the President power to institute reforms subject to Congressional veto) is the major substantial value of the Commission, costing the picayune sum of about $2,000,000. The even more important services it might have rendered in the field of the mind and of practice, however, are stultified by three causes of fumbling which hit the reader hard in the eye.

First, the vision, the analysis, the research, the recommendations, were blinkered by constitutional inhibitions. There were horizons beyond which the inquirers would not inquire. I know all the arguments for accepting the major constitutional *status quo*; I have heard them, as all of us have, all my life. "You

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can't get anywhere otherwise! " The argument is summed up on page viii of the Report on General Management, thus:

> The writing and adoption of the Federal Constitution proved that a republic could deliberately analyze its political institutions and redesign its government to meet the demands of the future. The broad pattern that America then selected is sound.

I submit that that is erroneous history, and unfortunate judgment. It can have only harmful conservatism as its fruits.

The second weakness lies in the subservience to doctrine of some of the contributors. I mean that they have picked up some principles of administration, some from American governmental history and some from comparative government, and have convinced themselves, that thus-and-thus is how government works and such-and-such things are impossible: for example, the fear to broach the subject of an " administrative class " in the federal civil service; the sourness about the steps toward a cabinet based on collective responsibility; the cold shouldering of the idea of a permanent secretary in each department above the bureau chiefs and of the full service, policy as well as administrative-wise, of the political departmental chief. Was it never considered to be a possibly progressive step to write a minority report alongside the majority one? Perhaps. And then, perhaps, the wordly-wise ones counselled against it, saying, " You will get nothing accomplished at all if you do not come out unanimously favorable to one concerted set of recommendations! Congress! " Alas! It will take another ten or twenty years before the opportunity recurs.

Thirdly, the Commission suffered from a blinding obsession with " management ". The least of the consequences are repetitiveness and gobbledygook. This shows itself, among a multitude of other ways, in these two: the inability to conceive of the administrative assistant to the departmental chief as anything but in charge of " housekeeping ", and so on; and the much more serious error of the committee on personnel policy which managed to convert " policy " into " personnel management ", and, as we shall make clearer presently, missed the greatest single viable opportunity of the whole Commission. All it did

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was to neglect any consideration of the intellect and character of the officials so urgently needed, while it concentrated on the machinery, down to the very minutiae of whether there should be one or three men at the top of the Civil Service Commission! When will it be learned that the final rule of government is the supremacy of men over machinery, and of thought over research?

The strengths and weaknesses of the *Report* so far considered are emphasized by the procedure used by the Commission to fulfil its general task. It proceeded by fission.

> We decided at an early date that we must have the aid of leading and experienced citizens to assist us in making findings of fact and recommendation of remedies. The Commission, therefore, divided its work into functional and departmental segments; it created 24 " task forces " with authority to engage such research aid as they might require. About 300 outstanding men and women, expert and experienced in the fields to which they were assigned, have now submitted to us their findings and recommendations.[5]

How different was this from the close-knit Committee of 1936-37! The errors of doctrine in the reports on General Management and federal Personnel are surely due in large part to this separation of comprehensive vision from departmental research. The General Management Report and the federal Personnel Report might have been prepared without the existence of any other forces at work, and might well have done a better job if they had simply sat down with the information already available about the executive branch of the federal government, and quietly, steadily and uninhibitedly *thought out* the relationship between American domestic and international responsibilities, especially taking a forward view. The nemesis of management obsessions is the belief that the variegated pieces of research can be made into a unity; that vision is the addition of fragments. It is true that in matters of charity one's right hand should not know what one's left hand is doing, but in matters of government, it is essential that both hands should belong to a body and a brain, their master, and that the hands should be

[5] Report on General Management, p. ix.

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clasped when necessary. *E pluribus unum* is perfect doctrine for democratic government: *e pluribus* non *unum* is the inevitable consequence of dividing up the body of administration, which is one. You can give birth to the executive Humpty Dumpty, you cannot put him together again out of bits and pieces. Though private management experts in the task forces were useful, it clearly introduced a type of management thinking inappropriate to the public service. The Commission should have read and digested Paul Appleby's *Big Democracy*.

However, now that we have reached the point where the principal characteristics of the main reports must be appraised, let it be said what a magnificent service has on the whole been rendered by the contributors, from Mr. Hoover and his executive director, Don K. Price, downwards. That service rests on the shoulders of other men who in the late twenties of this century began to find the ways and means of creating agencies which should draw in the best brains of the nation to its governmental service and should rear up a fabric and corpus of knowledge of it, and enhance the prestige of public service. The principal architect was Mr. Louis Brownlow. All in all, he has given to his country more than perhaps any one single person in this generation has given, apart from President Roosevelt and the atomic energy physicists. He mobilized a generation of youngish men who, by the multiplying influence of a fruitful and needed idea, will perpetuate that idea, use it, and pass it on undyingly to succeeding generations. The Hoover Commission and many of its collaborators are Mr. Brownlow's children, whatever the occasion for its establishment, and even if Mr. Hoover did not realize it.

2. *The Chief Recommendations*

I discuss (a) the relationship of the President to the high administration, (b) the relationship of the department chief to his departmental staff and (c) the yawning gap in the report on federal Personnel—what kind of persons the service needs and how to get them. This last theme, by the way, is an excellent illustration of my stricture that the appointment of too many cooks for the making of the reports spoiled the broth, because

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the top chef gave the personnel cooks neither the recipe nor the place on the menu of the dish he needed to make the presidency work well.

(a) *The President and high administration*

I quote the crucial parts of the texts. The Hoover task is set by this observation:

> At the present time there are 65 departments, administrations, agencies, boards, and commissions engaged in executive work, all of which report directly to the President—if they report to anyone. This number does not include the "independent" regulatory agencies in their quasi-judicial or quasi-legislative functions. It is manifestly impossible for the President to give adequate supervision to so many agencies. Even one hour a week devoted [*sic!*] to each of them would require a 65-hour work week for the President, to say nothing of the time he must devote to his great duties in developing and directing major policies as his constitutional obligations require.[6]

This same theme recurs in the reports relating to foreign affairs, defense and business activities, and others. It is the decisive fact, and should have been architectonic to the whole report. It is vital first to face the truth, and only later to consult expediency. The implications, the Constitution notwithstanding, should have been the point of departure, with brain-work instead of burrowing, for the work of the whole Commission. To the quotation rendered above, this additional one must be made, and it also is reiterated in the reports, as it must be, often, since it is the ground theme of the Constitution.

> Under our Constitution, the President is charged with the exercise of the executive power of our Government . . . . Administratively, the department head must accept responsibility for the efficient performance of Government services within the scope of his assignment. This is a continuing obligation on behalf of the President and administratively the department head functions as the alter ego of the President. . . .[7]

[6] Report on General Management, pp. 35-36.

[7] Appendix E, p. 1.

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As *alter ego* reappears several times, it must (?) be assumed that it is not merely somebody's pet cliché, but that it is intended to stress the fact that the ultimate authority and responsibility is that of the President. This is supported by other observations to the same effect, not least in the reports on foreign affairs and national defense.

Yet scant consideration is given to the cabinet as the proper aid to the President. It is declared to have been ineffective (p. 17, General Management). It is described, only to be scouted (pp. 54-5, Foreign Affairs, Appendix H). It is restored to some status, only to make room for the idea of cabinet committees, in itself good, but with the admonition that the committees would not be committees of the cabinet, but the direct emanation of the President's authority (p. 17, General Management) though the passage is not clear English, so that its true meaning is not exactly comprehensible. Mr. Hoover had the major hand in the writing of the Report on General Management: it was his prerogative if he wished to use it, and besides it is understood that he regarded himself as the chief living authority on the presidency. (This latter claim has its weaknesses, for history has shown us that each President makes a different presidency, and that the actor is not always in a position to understand perspective.)

The Commission did not quite know what it wanted with the presidency. It certainly wanted an integration of the work of the departments, and authority running through from the President to every artery and capillary of the executive branch at least. But it talks as though the problem is adding together the departments who would produce "facts" and "advice" (p. 1, General Management). But it is not merely "facts and advice" the President needs. Even if the departments are thoroughly reformed and cut down to one half or one fourth of their present number, they will still pull apart by the nature of their individual responsibilities, and he would still not have enough time to master the "facts and advice" that issue from them. Nor could he master the "facts and advice" that are to come from the cabinet committees and the interdepartmental committees on a different level. He would still not have the

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time to do this and meet his Congressional and popular and party responsibilities.

The problem of the presidency is not alone one of time and energy (and the terrible physical burden is more than once referred to); it is moral. The fundamental question is whether one man vested with the sole responsibility, where other men are merely his " alter ego ", can bear the burden of moral choice involved in his preference of one set of values and priorities in the making of decisions. It is no use at this date quoting, as the Commission does, from Hamilton's discussion of the unity, vigor and responsibility of the executive as it appears in *The Federalist,* unless it is acknowledged that if Hamilton were here today he could not accept the conclusions of the *Report* on the basis that " the broad pattern " is sound; for it is no longer sound. One man *cannot* integrate; because one man is too few to take the moral responsibility. To give an answer to a political question, when the facts and advice have been presented, is not necessarily a " responsible " answer; it may be an evasion or subterfuge. " Off the cuff " has become the heart of presidential compulsion. Yes or No may be a parting from the problem, not its sober and well-weighed solution. Responsibility begins in the conscience: one man has not enough of this to meet the problems of integration—which means choice of values—for all the wide sphere of the American domestic and international empires.

The President is " one "; but this is not to describe the presidency of the United States by the correct epithet. The presidency is " solitary ". He is tethered by responsibility imposed on him by the Constitution and his oath to it. The description in the Report of the Task Force on Departmental Management (called Appendix E) of the political appointment of the department heads and the undersecretaries, the inappropriate considerations that enter into their choice and appointment, the shortness of their tenure, their inability within the time they have in office to understand what it is they are to do—all throw the burden on a solitary man, unrelieved. Above all (a fact which the Commission saw but could not recognize),

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> for most department heads the only point of support which can ordinarily be expected comes from the presidency itself. It is no exaggeration to say that the department head must depend for his influence upon his relationship to the Chief Executive. Our present system of government has brought such real power to the occupant of the White House that no administrative official any place in the Government can usually afford to engage in direct conflict with the Chief Executive. Accordingly a department head known to enjoy the fullest confidence of the President is a department head to be respected within his own department.[8]

In other words, not only has the President to make final decisions, which, however intelligent the state of departmental decentralization, must still be very numerous and so important that he cannot delegate them, but he must be a prop within the departments to the departmental chiefs!

Is it not clear that the desiderata cannot be met by the present constitution of the executive power of the United States? The more the Commission insists on its panacea, namely, the provision of "staff aids" to the President, the more it admits, without recognizing it, the incompetence of the presidency for more than an "off the cuff" Yes or No or Maybe. One man can hardly do anything other than stand above the battle. To the departmental chiefs the President is an excrescence; to the President the departmental chiefs are an annoyance. The President is to the departmental chiefs an excrescence because he does not mingle with them even in the top elements of their decisions; to him they are an annoyance because if they bring facts and advice to him he is bothered to know what to do about them, while if they do not he is committed by them in his reputation if he is an ordinary man, and in his conscience if he be an extraordinary one.

We all know that a President relieves his solitariness by a kitchen cabinet, vacations, and by government by tête-a-tête with one or two respected members of the administration or Congressional friends. This takes away from responsibility without providing full integration in the government, for some advice is not asked for, or, if heard of indirectly, is ignored. The reason—and the Commission should have seen this—is that

[8] Appendix E, pp. 34-35.

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facts and advice are *not will,* and not being will cannot press themselves on the presidential attention and cannot share the presidential burden of responsibility for choice of what to do.

A full cabinet system with collective responsibility is the crying need of America—of the nation, of the Congress, of the departments, of the civil service, and of the presidency. Only if the responsibility is truly shared among fifteen or twenty men, only if the will to govern is put into commission, will it be possible to integrate the government of the United States, and secure simultaneously that all departments shall be heard, that all departments shall take notice, that all personnel shall respect their chief, that facts and advice shall not run about free, equal, and wild. Nothing that the Commission proposes—the increase of the White House staff agencies, and a staff secretary (important as they are, and valuable as they will be)—can derogate from the high probability that they will be no answer to the main question: *E pluribus unum?* When these staff aids are set up there will simply be another level of government in the executive: the President; the staff agencies of the presidency aching to do but condemned to talk, jealous of the departmental doers and brushed away as nuisances by the department heads; and then the level of the departments, the cabinet committees (which are not cabinet committees), and so on. But the President will still be like Rodin's *Thinker,* a lonely figure, solitary, crouched as though in deep thought, green but not of bronze, giving answers to questions posed in other people's terms and worrying about his responsibility and what other people are doing with it. This matter of responsibility must be reserved for further consideration in the concluding article.

What I have said is concrete enough, but in order that it may be brought home with final force, let us consider two matters, the one a recommendation, and the other some interesting and true observations on the ineluctable interweaving of policy and administration.

The recommendation is of "A New Staff Secretary" in Report on General Management, page 22.

To comprehend the nature of the suggestion, and to give illustration to some of the criticisms of the Commission's work already made, extensive quotation is unavoidable.

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> At present there is no place in the President's Office to which the President can look for a current summary of the principal issues with which he may have to deal in the near future; nor is a current summary of the staff work available on problems that have been assigned to his advisers, his staff agencies, or the heads of departments and agencies.
>
> To meet this deficiency, the Commission proposes the addition of a staff secretary. He would not himself be an adviser to the President on any issue of policy, nor would he review (in a supervisory capacity) the substance of any recommendation made to the President by any part of his staff.
>
> The Commission believes that this recommendation will facilitate teamwork among the President's staff, the agencies of the President's Office, and any Cabinet or interdepartmental committees which are studying problems for the President.
>
> If possible the staff secretary, like the executive clerk, should be a career public servant.
>
> The staff secretary should keep the President currently informed of the work which has been undertaken by various parts of the President's Office, by the Cabinet committees, or by interdepartmental committees or special advisory committees. He should inform the President of any difficulties which have arisen because of the overlapping of assignments or conflicts of policy. He should make the inventory of interdepartmental committees referred to in recommendation No. 8, above.

I have left the last sentence in though tempted to omit it, because it is one of the best examples of the mixture of triviality with important affairs that so often mars the reports.

First, is it really supposed that one man can do this work? Then, is the President to have colloquies with his subordinates? Whom is the President to trust; Is it possible for any man and his staff to get the President alone for the time necessary to pass on the information referred to fully enough and with enough moving sense of the proportionate values involved to be of any use to the President? I think not. The President will see him occasionally; half listen; and finally let him alone to write his reports and file them away.

It seems to me impossible to maintain the Commission's requirement that the secretary be *not* an adviser on any issue.

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How could he possibly give a summary of all that goes on in the government without bias? When decisions are impending, bias is advice. Could not the Commissioners imagine how the staff secretary will be beset by the departments and the chairmen of committees? And how the departmental chiefs, hearing by rumor, or from the President himself, what has passed, will insist on seeing the President?

Will a different man from the career service be staff secretary for each President? If not, is the President invariably likely to take to him? If he is, what is his advice going to be, seeing that one day he will be returning to his department?

"He should inform the President of any difficulties which have arisen because of the overlapping of assignments or conflicts of policy." Has any more trouble-making suggestion ever been put forward by a responsible body of inquirers?

The President needs help. The help he needs is a number of persons he can trust met together as a corporate body of co-equal cabinet members who will share will and responsibility. He needs the unity of colleagues, made into a fellowship by loyalty to political principle. All the rest is vain gadgetry, of the most limited effect, though giving the brash appearance of much business. The President reigns, but he does not govern; his department heads are officious, but they do not rule. These proposals do not intermesh the President with the whole body of American executive government; they still leave him high and dry (or low and wet, for that matter). And when I re-read the passage on "A New Staff Secretary", I think of Lord Maurice Hankey, the British "prince of committees", and the false analogy his work has generated; and I seem to see the shade of Franklin D. Roosevelt, grinning, and whispering certain impertinent remarks to Harry Hopkins.

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A NOTE ON THE IDEA OF WORLD MONEY*

THE concept of world money [1] originated in the Germany of the Reformation as a product of popular sentiment. It found expression in a poem transmitted to posterity in several versions, the following being the best known:

Hätten wir alle einen Glauben,
Gott und Gerechtigkeit vor Augen,
Ein Gewicht, Mass, Münz und Geld,
Dann stünd' es wohl in dieser Welt.[2]

Renerus Budelius, mint warden of the Dutch city of Roermand, chose the proverb in the form of a Latin distich [3] as the motto of his volume *De monetis et re numaria* (1591) which remained the standard work on the subject for almost two centuries.

* This article is a section of a forthcoming volume *Money in the Law: National and International*, a rewritten edition of *Money in the Law* (Chicago, 1939).

[1] By far the best study on this subject is the thesis of Lucie Dresel, *Die Weltgeldidee bis zur französischen Revolution* (Berlin, 1930). See also Wilhelm Trimborn, *Der Weltwährungsgedanke* (*Münchener volkswirtschaftliche Studien*, Heft 16, Jena, 1931), and Félix E. de Parieu, "L'Uniformité monétaire", in *Journal des Économistes*, 3e Serie, 2e Année, vol. 6 (1867), p. 321, an uncited and sometimes inaccurate source for later writers. Karl Schräder, *Die Idee des Weltgeldes* (thesis, Münster, Warendorf, 1928) is not helpful.

[2] A free translation may be ventured:

Had we all the same belief,
God and justice before our eyes,
One weight, gauge, mint, and coin,
The world would suffer much less grief.

[3] *Una fides, pondus, mensura, moneta sit una*
Et status illaesus totius orbis erit.

This version was cited in the celebrated decision rendered by the Privy Council in 1604 in the "Case of Mixt Moneys in Ireland", 2 *Howell State Trials* 114; *cf. English Reprints*, LXXX, 508. Queen Elizabeth had issued debased coins for financing the Irish war. The Privy Council decided that a creditor who had contracted in terms of pounds prior to the debasement must accept the debased ("mixt") money in discharge of the debt.

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The first inquiry into the problem of world money, however, was undertaken in Italy, then the most advanced country commercially, which had contributed much to monetary practice and thought. We refer to Gasparo Scaruffi's *Alitinonfo* (1582).[4] *Alitinonfo* is a stilted grecizing expression meaning "True Light". Scaruffi was a wealthy banker in Reggio (Emilia, northern Italy) who served his city for some years as mint warden or assayer and repeatedly as an agent in semi-diplomatic missions on coinage matters; for a short time he took over the Reggio mint as a contractor.[5] All in all, he was a consummate expert on money. His official relations gave him an opportunity to submit to Italian princes, on various ocasions, projects for coinage reform. The *Alitinonfo,* written at the suggestion of the Duke of Ferrara, was probably conceived as a systematic presentation of his ideas.

Scaruffi's plan is based on the idea of the *moneta imaginaria.*[6] The monetary chaos which prevailed in most European countries during the thirteenth to the eighteenth century engendered a desire to place the manifold types of circulating coins, each of which had a "proper name" of its own (crown, groat, royal, ange, etc.), on a common denominator. The coining rulers, among them numerous minor potentates, did so by rating the coins in terms of the *libra* = 20 *solidi* = 240 *denarii*—the old Carolingian division which has survived in England. In the period envisaged it constituted, certainly outside England, merely an accounting unit. Not being represented by actual *libra, solidus* or *denarius* coins, it served as a *moneta imaginaria,* that is, as a scheme for the legal determination of coin values.

[4] Scaruffi's work is reprinted in Pietro Custodi, *Scrittori classici italiani di economia politica,* vol. II (Milan, 1804), and in Aug. Graziani, *Economisti del cinque e seicento* (Bari, 1913). Some inaccuracies of Custodi's publication have been pointed out by Miss Dresel, *op. cit.* Her study is mainly devoted to Scaruffi's work. She has failed only in that the connection of the work with the system of *moneta imaginaria* has not been brought into the necessary relief.

[5] Andrea Balletti, "Gasparo Scaruffi e la questione monetaria nell'secolo XVI", in *Atti e memorie delle RR Deputazioni di Storia Patria* . . . , 3 Series, vol. I, Part 2 (Modena, 1883). A careful bibliographical sketch is in Miss Dresel's study, p. 78. De Parieu (*loc. cit.,* p. 332) calls Scaruffi "Count", an error repeated by other writers.

[6] More on this subject in *Money in the Law,* p. 10.

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Scaruffi proposed that all of the current coins were to be incorporated into the *moneta imaginaria* system according to strictly scientific principles applicable all over the world. Money would then become uniform among all nations. Scaruffi's foremost postulate is the adoption of a definite weight unit—he proposes the weight of the *libra* of the Bologna mint —as the basis of the system. The coins were to be rated correctly according to the weight of fine metal contained therein, though fractions below the value of a quarter of a *denarius* of *moneta imaginaria* could be neglected (a sensible qualification for Scaruffi's day).

The value relation between gold, silver and copper was assumed by Scaruffi to be permanently 1:12:120 (the gold-silver ratio 1:12 was then generally assumed to be stable); Scaruffi considered it as God-given. Laborious coin-tables illustrate the application of these principles and form the greater part of the work. According to Scaruffi, new gold and silver coins were to indicate, by their very imprint, not only their value in terms of the *moneta imaginaria,* but also in Arabic numerals their exact content of fine metal. Scaruffi dubs his monetary unit *lira imperiale,* a term familiar in Italy in another application,[7] but in Scaruffi's system reminiscent of a universal empire. The proposal of the weight imprint was revolutionary enough, but it was far surpassed by Scaruffi's further demand that the princes ought to forego seigniorage and similar imposts [8]—a vital part of their revenues. He expressed the conviction that princes the world over would nevertheless adopt his plan because of its self-evident virtues. He did not touch upon the aspects of international agreement and organization inherent in his scheme.

As was to be expected, the princes did not even consider, much less adopt, Scaruffi's project. One cannot believe that an experienced craftsman such as Scaruffi—who at one time had, himself, submitted to a prince a questionable plan for exploiting

[7] Namely, for coins made in mints operating by imperial privilege. Dresel, *op. cit.*, p. 30, n. 67.

[8] See, for example, F. A. Walker, *Money* (New York, 1891), p. 181.

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the coinage—would have been unaware of the political obstacles which his project was bound to encounter. The problem has baffled Scaruffi's biographers. However, his system had a definite theoretical value quite apart from the question of its adoption in practice (actually some of his points were borne out later). And there was nothing unusual in an Italian patrician of the sixteenth century vying for literary laurels. Apparently Scaruffi had even hired learned assistants for his work, a fact that seems to account for the pompous title and for some citations from the ancient classics. He also had the book printed at his own cost. Later centuries have certainly shown that the expenses were not wasted from his point of view.

In contrast to Scaruffi, the famous French political scientist, Jean Bodin, presents the problem of world money primarily as an international one in his *Six livres de la République* (1576).[9] He demands an agreement among the princes which would fix the permissible alloy for gold and silver coins as well as, it seems, a weight unit. (The emphasis on alloy is exaggerated; the determination of the quantity of fine metal in a given coin is more important.) Generally, he considers princes to be bound in monetary matters by the law of nature, again a supranational conception. Like Scaruffi, Bodin assumes a common gold-silver ratio of 1:12 as a matter of course. His observations on the subject of coinage are only incidental and cursory, but they have influenced later writers far more than Scaruffi's elaborate studies which are too technical and too closely allied to the doomed principle of *moneta imaginaria.*

Bodin's influence appears, for instance, in the work *El Governador Christiano* (*The Christian Ruler*), published in 1612 by the Spanish monk, Juan Marquez, confessor of Philip III.[10] Marquez makes the new but erroneous assertion that the unified regulation of alloy in connection with the universal gold-silver ratio of 1:12 would save the people the trouble of money-changing, but otherwise he seems to have added nothing to

[9] Book VI, chap. 3, is in point.

[10] The book was not available to me. I have used the summary in Dresel, *op. cit.*, p. 58.

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what was said before. More interesting are Bodin's French successors. With Émeric Crucé the "world money" idea appears as an element of a vast project for securing universal peace (*Le Nouveau cynée*, 1623).[11] Crucé tries, not very successfully, to implement some of Bodin's ideas by proposing that the princes should take the grain of a definite country as the basic coinage weight and that copper coins should be replaced by small silver coins. In contrast to both Scaruffi and Bodin, Crucé is a dilettante in monetary matters. Politically his project as a whole tends toward French leadership,[12] a conception that was destined to assume greater significance later.

The idea of world money appears in the more definite form of world coins—that is, of universal media of payment—in a remark made by Louis XIV's famous Maréchal Vauban in 1690.[13] Crucé's approach was revived by the Abbé de St. Pierre, well-known herald of universal peace, when he postulated—with involuntary irony—a universal monetary system as well as a universal calendar, universal measurement, universal language, and universal arbitration of international disputes.[14]

The French Revolution replaced the framework of universal peace by a program of social institutions rationally planned for the greater happiness of mankind and for the progress of nations. In this sense the notion of world money was referred to, though in a general and perfunctory way, by Mirabeau and by Talleyrand,[15] the former expressing the hope that France's example might inaugurate a happier era of monetary unification. A few years earlier, in 1787, Franz Hermann Hegewisch,

[11] An English translation of Crucé's work in Thomas W. Balch, *The New Cyneas of Émeric Crucé* (Philadelphia, 1909).

[12] *Cf.* the writer's *Concise History of the Law of Nations* (New York, 1947), p. 94. Regarding monetary matters, Crucé considers the King of France (for good reasons, incidentally) called upon to win the Sublime Porte over for the planned convention.

[13] "Mémoire sur le Canal du Langudeoc", Section on "Monnaie", in De Rochas d'Aiglun, *Vauban, sa famille et ses écrits*, I (Paris, 1910), 561.

[14] *Ouvrages de morale et de politique* (Rotterdam, 1733-41), XIII, 223.

[15] For references, see Dresel, *op. cit.*, pp. 67, 72.

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Professor of History at the University of Kiel, writing in the spirit of the brewing revolution, had published a somewhat detailed proposal for an international agreement on the coinage standard.[16] Following French doctrine, he started from the theory that money is a commodity,[17] and from other "evident" truths. Practically, he emphasized in the first place—one is reminded of Marquez—that adoption of his plan would eliminate the troubles of money-changing, and especially the fluctuations of the rate of exchange—a layman's mistake, as Hegewisch's economist critics were quick to point out, because, despite the identity of standard, the diversity of economic and political conditions of the various countries might attract or drive out the coin, particularly under a gold-silver parallel standard as proposed by Hegewisch. The new French Republic did not adopt or promote the world money ideology though it greatly improved the universal monetary mechanism by the introduction of the decimal system.

During the nineteenth century France long remained the foremost scene of the debates on world money. Affiliation of that concept with the notion of French hegemony became more pronounced. Napoleon I told his minister Fouché, shortly before the outbreak of the Russian War, that money, weight and measure ought to be the same throughout Europe, adding that he must make the European states a unified nation with Paris as the capital of the world.[18] In St. Helena he reverted to the idea that money, weight and measure must be unified, but without the grandiose addition.[19] It was in the Bonapartian tradition that Napoleon III inaugurated in the sixties a broad political action culminating in the establishment of the Latin

[16] Hegewisch's pamphlet was reprinted and critically analyzed by the Hamburg economist, J. G. Büsch, in *Sämtliche Schriften über die Handlung* (Hamburg, 1824), III, 302, 190. A summary is in Trimborn, *op. cit.*, p. 40.

[17] The French "commodity doctrine" of money was a revolutionary answer, in terms of the "law of nature", to the monetary excesses of the *ancien régime*. René Gonnard, *Histoire des doctrines monetaires*, II (Paris, 1936), *passim;* André Mater, *Traité juridique de la monnaie et du change* (Paris, 1925), p. 29.

[18] W. Scott, Life of *Napoleon*, V (Exeter, 1828), 104.

[19] Albert Janssen, *La Monnaie internationale* (Brussels, 1928), p. 4.

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Monetary Union which was conceived as the nucleus of a universal monetary system.[20] Inspired by this idea, Napoleon convoked an international monetary conference, which was held at Paris in 1867.[21] The purpose was to win over to Napoleon's plan the non-Union countries, and especially the leading commercial nations. All of the great Powers were represented, but, despite the warm support of the American delegate, Samuel Ruggles, the Conference proved a complete failure. Up to that time the "world money" idea had found distinguished sponsors among French scholars;[22] afterwards it lost its hold on the French mind and disintegrated entirely.

Monetary ideas of universalist "tinge" came to be interlarded in bimetallistic doctrine[23] because national bimetallism was very soon recognized as impossible. Besides, "world money" turned, even more than in the past, into a favorite topic for political schemers and inventors. In fact, an association, anticipated by St. Pierre, developed between world money and Esperanto, hoped-for world language.[24] Evidently, the notion of world money somehow appeals to human fantasy all the more since it lends itself to ostensibly scientific elaboration. A quasi-scientific system, for instance, was published in 1900, by the Austrian-American Karl Pamperl in a pamphlet *Universalgeld auf Grundlage des metrischen Gewichts und des Monometallismus*[25] (*Universal Money on the Basis of the Metric System and of Monometallism*). Invoking Kant, Spinoza, Franklin, and other thinkers, and sometimes elevating himself to poetry, the author represents his universal money as a step to "universal harmony", though he proposes—in 1900!— silver as the standard metal. Innumerable are the new names proposed by the inventors for their new world units: "grammer", "grammor",

[20] *Cf.* the writer's article "International Monetary Agreements", *American Journal of International Law*, 1944, p. 247.

[21] *Conférence Monetaire Internationale, Procès-verbaux* (1867).

[22] Michel Chevalier, *La Monnaie* (Paris, 1850), p. 566, and particularly De Parieu, vice president of the *Conseil d'Etat, loc. cit.*

[23] See Trimborn, *op. cit.*, p. 62.

[24] *Ibid.*, p. 69.

[25] In the preface the author introduces himself as an American citizen.

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" lir ", " unité ", " deca ", " iva " (from International Valuta Association), " spesmil " (Esperanto),[26] and so on. Some of the projects had, in a measure, economic substance, as, for instance, the proposal of an international bank note by the German economist Julius Wolf,[27] but not a single one had a chance of practical realization.[28] While international regulation of national monetary systems has long been on its way, the notion of " world money " has proved sterile.

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26 These instances are gleaned from Trimborn, *op. cit., passim.* The draftsmen of the Bretton Woods Agreements could not resist the temptation to introduce what seemed to be new world monetary units. The American draftsman, Harry D. White, proposed " unitas "; the English draftsman, Lord Keynes, proposed " bancor ". This terminology, objected to by the writer in *American Journal of International Law*, 1944, p. 257, was abandoned in the definitive version of the Agreements.

27 " Die internationale Banknote ", *Zeitschrift für Sozialwissenschaft*, 1908, p. 44. The critical problem, of course, was that of redemption. See also Gustav Lippert, *Handbuch des internationales Finanzrechts* (2nd ed., Wien, 1928), § 145.

28 In 1874 the United States Mint prepared a sample for an international gold coin carrying the inscription " Dollars 10/ Sterling £2.1.1/ Marken [*sic*] 41.99/ Kronen 37.36/ Gulden 20.73/ Francs 51.81 ". *Catalogue of Coins, Tokens and Medals* (U. S. Mint, 1914), pp. 19, 86, and Plate VII 5. That coin was manufactured on the suggestion of an American citizen traveling abroad who found the business of exchanging money troublesome. There was no general theory or movement behind this occurrence. W. H. Woodin, *United States Pattern, Trial and Experimental Pieces*, " 1874 ". For this information, the writer is indebted to Mr. Leland Howard, Washington, D. C., Acting Director of the Mint.

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REVIEWS

On Power: Its Nature and the History of Its Growth. By BERTRAND DE JOUVENEL. Preface by D. W. Brogan. Translated by J. F. Huntington. New York, The Viking Press, 1949.—xix, 421 pp. $5.00.

This is a brilliant book, although it has its tiresome reiterations, and as diagnosis of what is now wrong with the world it deserves to be taken seriously. As therapy, it is not so convincing. Jouvenel is homesick for a time when aristocracy fought for its own freedom and so kept freedom in existence and when folkways protected the rest of us, and he has not much to say beyond the elaboration of an old French theme: *noblesse oblige.* His positive point is that the whole development of modern democratic governments has been toward enslavement, not toward freedom. The folkways have been broken up in the name of liberty and the aristocracies have been diminished in the name of equality, and now men face the power of the state without any protection against the oppression of the majority decisions.

There are moments, as one follows his eloquent and impetuous argument, when he seems quite willing to be inconsistent as long as he can be "again" the government. He founds his theory in the long line of philosophers of conflict and he seems to have read most of them from Heraclitus to Gumplowicz and Pareto. We begin with the principle that "the principal authors of material civilization are the peoples who are marked with the spirit of conquest" (p. 79), and this leads on to the assertion that power, that is, conquering force, and the state come afterward (p. 98).

For example, Philip Augustus, in France in the twelfth century, began the struggle to change his own status from that of a chairman of a board of reigning nobles to a monarch with independent access to tax revenues and military service. Successive kings got increasing power. But they never had complete power; that, says Jouvenel, was not possible until nobles and kings and all the apparatus of law and custom that went with them were destroyed to make way for a republic which would do to its people, in the name of the people, all the things the monarchs wanted to do and never dared. "From one regime to another, always more soldiers, more taxes, more laws, more

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officials" (p. 128). And then, grudgingly as if it really made no difference, Jouvenel goes on to say: "It is true, no doubt, that Power could not make this progress but for the very real services which it renders and under cover of the hopes aroused by its displays of the altruistic side of its nature." And, as a matter of fact, this better side of power does not make much difference, if his other arguments are valid. "No doubt the attitude of Power grows more and more protective," he says (p. 167), "but the reason is that Power gets greedier and greedier."

Jouvenel is too convinced of the imperious and unchangeable nature of power to entertain the idea, so often offered now by advocates of the democratic welfare state, that a government by majority vote can never damage any citizen unjustly because the government is really only ourselves. He asserts flatly that the public interest can be opposed to many legitimate private interests and often is. The transfer of public control to a concentrated group of elected officials and an immense growth in scope and depth of government interventions are observable facts in recent Western history. He denies that there has been any concurrent reform in the nature of power to save us from tyranny in "self-government".

> The idea of law's subjection to natural justice has not been maintained. That of Power's subjection to the law has fared a little better, but has been interpreted in such a way that the authority which makes the laws has incorporated with itself the authority which applies them; they have become united, and so the omnipotent law has raised to its highest pitch a Power which it has made omnicompetent (p. 247).

In all this, there is a great deal of truth and it is high time that we took the trouble at least to reconsider the older doctrines, Jeffersonian or liberal, that expressed a fear of government itself. The Minotaur is a real monster and we live with it. Jouvenel, however, seems to miss the point. The essential aim of democracy, in our American meaning of the term, is to develop the powers of men by demanding of them that they share in real decisions and learn by real consequences. The growth of bureaucracy, of government services and interventions is, as he says, inevitable in any dynamic state. Tyranny of the majority has to be opposed but not, we think here in the United States, by revival of past devices; they were quite as unsatisfactory as anything since. We cannot accept any new or old device that will protect us; we insist on continuing to find a way of living in which we can protect ourselves because we believe in self-government as worth-while experience and care more for the educative experience of making our

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after the Secretary's return, he and his advisers were discussing a difficult political problem when one of the advisers turned to Mr. Hull and said, "Mr. Hull, you are a politician, what do you think is the answer?" Hull looked at his adviser for a moment, and then replied, "I used to be a politician, but since I returned from Moscow, I have become a statesman."

During the years from 1933 to 1944, when he served as Secretary of State, Cordell Hull enlivened many a conversation and cabinet meeting with his own unique speech and earthy language. One of his favorite expressions, applied to people he disliked, was "Polecat". Once when he was being shown an installation overseas, his guide pointed to a villa and remarked, "That is for V. I. P.'s, you know what that means." Mr. Hull replied, "I know what it means, and I also know what some of them are."

It is unfortunate that more of Mr. Hull's own salty language does not appear in his *Memoirs*. The rather difficult style of these two volumes is apt to discourage the casual reader. The researcher and the teacher, however, will frequently find the material invaluable, and they will find themselves referring many times to these two volumes. The *Memoirs* divide Mr. Hull's career into eight parts: Part One, Tennessee and Congress (1871-1933); Part Two, First Two Years as Secretary of State (1933-1935); Part Three, Toward the Abyss (1935-1939); Part Four, Neutrality and Self-Defense (1939-1941); Part Five, The Year of War (1941); Part Six, Diplomacy in War (1942-1943); Part Seven, The Last Year (1944); Part Eight, Peace and After (1939-1945).

The student of politics will regret that Mr. Hull's career as a state legislator in Tennessee, a circuit judge, and his Congressional career from 1907 to 1921, and from 1923 to 1933, is so hastily treated. His work on the House Ways and Means Committee, during the years of Woodrow Wilson's New Freedom, for instance, is not sufficiently well developed in terms of the political problems and pressures facing a Congressman in this era of progressive reform. Nor is there adequate treatment of the problems he faced as Chairman of the Democratic National Committee from 1921 to 1924.

The value of the Hull *Memoirs* lies rather in the light the two volumes throw on the diplomacy of the Roosevelt era. Innumerable quotations from Mr. Hull's speeches and state papers are interspersed [illegible]rough this section of the manuscript. Although there is not a [illegible]deal of "secret" information in the *Memoirs*, the two volumes [illegible]econci[illegible] an important record of the stewardship of Franklin Roose-[illegible]cal spe[illegible]

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velt's Secretary of State. New material, however, does appear, for instance, in the Secretary's report on the Moscow Conference. The conversations between Hull, Molotov and Eden are quite revealing, and the description of the interplay at the Conference is most valuable. Hull records (vol. II, p. 1289) that, in a discussion of punishing German officials guilty of atrocities, he said:

> If I had my way, I would take Hitler and Mussolini and Tojo and their archaccomplices and bring them before a drumhead court-martial. And at sunrise on the following day there would occur an historic incident.
>
> As this was translated, Molotov and his entire delegation broke into loud exclamations of approval, and for a minute the calm of the conference was shattered.

Considerable light, too, is thrown on such problems as the inner quarrels of the Roosevelt Administration, and on the difficulty of maintaining liaison between the State Department and the White House. Mr. Hull writes (vol. I, p. 200):

> The President pursued one practice that was frequently disturbing to the Department—that of sending special envoys abroad as his personal representatives to talk with the heads of foreign governments or to perform certain missions. Among them Harry Hopkins, Henry Wallace, W. Averell Harriman, Patrick J. Hurley, William J. Donovan, and Joseph E. Davies, all went on one or more missions. Sending these special envoys tended in many instances to create havoc with our ambassadors or ministers in the capitals they visited, even though the envoys themselves had no such intention. Nevertheless their missions rarely interfered with the strictly diplomatic efforts of the Government.

Mr. Hull also devotes some space to explaining his difficulties with Under Secretary of State Sumner Welles. It is in this material that Mr. Hull does display some of his stronger language (vol. II, pp. 1227-1231). He is quite blunt about Welles's unwillingness to do teamwork with him, and he charges that Welles did a poor administrative job as Under Secretary. Mr. Hull is particularly angry over Welles's custom of making major policy decisions without consulting him. Welles's habit of consulting President Roosevelt, without informing his superior officer, leads Mr. Hull to write: "I found, however, that Welles abused this privilege by going to the President at times without my knowledge, and even attempting to secure a decision, again without my knowledge" (vol. II, p. 1227).

The student, although he might desire more of Mr. Hull's own personal flavor, will find these two volumes invaluable as reference

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books. He will also come away with increased respect for the shrewdness and ability of this Tennessee-hill country politician, with his horse sense and faith in the democratic dogma, who guided the American State Department through the tremendous years of depression and war.

WALTER JOHNSON

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How Foreign Policy Is Made. By KURT LONDON with collaboration of Kent Ives. New York, D. Van Nostrand Company, Inc., 1949.—x, 277 pp. $3.50.

Well conceived and easy to read, this book contains an excellent introduction to the mechanics of foreign policy but presents a less successful discussion of the components of foreign policy. Maintaining correctly that foreign policy cannot be dissociated from domestic policy, and that the aims and character of each country's policy are related to its physical, technological and national psychological conditions, the author first describes these "basic elements". He then discusses such influences upon policy-making as public opinion and military and other governmental agencies, and emphasizes the importance of gathering and analyzing intelligence. In parts two and three, on the formulation and execution of foreign policy, he comes to the heart of his subject in describing, with the aid of charts, the United States Department of State and foreign service and the British, French, Nazi-German and Soviet foreign offices and services. Finally, he examines the relationship of national foreign policy and international organization.

The chapters describing the machinery of foreign policy-making and how it works are the best informed and most valuable in the work, although, admittedly, much of what goes on in the Soviet Minindel is conjectural. The changes which have occurred from the beginning of World War II to 1948 are noted as well as the differing foreign office relationships to parliaments and other governmental agencies, and the differing attitudes toward personnel and toward the various functions performed by foreign offices and services.

In the discussion of the "elements" of foreign policy and also in the chapter on "Sovereignty and the United Nations", the author seems to be on less familiar ground. Parts of the introductory chapters read as if uncritically drawn from the opening selections in the Sprouts' *Foundations of National Power.* The author accepts both

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the biological analogy of birth, adolescence, maturity and death of nations, and also much of the facile generalizations that have been popularized by the geopoliticians. Occasionally, he goes astray in his historical background as when he speaks of "The Dark Ages", and the "end of scholasticism" which "gave new impetus to commercial and cultural contacts" (p. 171). A better historical perspective for democratic foreign policy has been sketched by Carl Friedrich in *Foreign Policy in the Making* (1938), a work which Mr. London seems to have overlooked.

As befits the present post-war era, the author pays much attention to what he conceives to be the new element in foreign relations, the conflict of ideologies. He mentions the French Revolution as supplying precedents possibly worth studying, but fails to note the earlier ideological aspects of interstate rivalries in the Age of the Reformation which would seem to be more analogous to the present "East-West" ideological tension. What he calls the totalitarian aspiration "to achieve world wide *ideological sovereignty*" (p. 230), he believes to be more of an obstacle to international coöperation than national sovereignty. This is a novel and challenging way of diagnosing the cause of United Nations weakness, but is not convincing. A careful examination of the ideological verbal battles of the thirties, for example, suggests that the Nazi and Soviet protagonists were often throwing up smoke screens with which to camouflage realistic objectives. May not the present ideological contest, in part at least, but cloak age-old power-political maneuvering? On the other hand, may not the East-West conflict help to bring about modifications of national sovereignty, as in the Brussels Pact and the Western European Union, which were previously unthinkable? Thus, while Mr. London is undoubtedly right in seeing little hope that national foreign policies may be submerged in the United Nations, may he not have overlooked other aspects of international coöperation that are at the moment just as significant?

There are only a few slips in the book. For example, the number of non-permanent members of the Security Council is given as four on page 17, but correctly stated as six on page 253. The perennial examination book boner of "navel" for "naval" occurs on page 70.

On balance, however, the naïve or faulty generalizations are far outweighed by the pithy and sensible observations on both the formulation and the character of foreign policy. Though the author, a one-time worker in the O.W.I. and the Department of State, claims to have no axe to grind, he has, in fact, made a persuasive argument for

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more attention in the United States to the gathering, and especially to the effective dissemination, of information at home and abroad as essential tasks of the State Department in the present world of ideological conflict.

DWIGHT E. LEE

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Technology and International Relations. Edited by WILLIAM F. OGBURN. Chicago, The University of Chicago Press, 1949.—vi, 202 pp. $4.00.

The contents of this book were the outcome of the twenty-fourth annual Institute of the Norman Wait Harris Memorial Foundation, held in Chicago, May 7-9, 1948. The title was the subject of the Institute. The chapters embody the contributions of scholars invited to participate. An introduction by Professor Ogburn develops a possible frame of reference for the chapters that follow.

The importance of technological developments in conditioning the foreign policies of nations and the manner in which relations between states are organized and conducted has long been recognized by students and practitioners alike. Discoveries in the field of atomic energy and current speculation regarding the possible uses of atomic energy for both war and peace purposes have tended to focus attention, with some detriment to a balanced view, upon the consequences of atomic developments. This series of studies attempts to give a more balanced and comprehensive evaluation of the effect of technological developments, past as well as current, upon the evolving pattern of international relations.

The contributors to this book include outstanding American scholars in various social disciplines—sociology, cultural anthropology, economics, [illegible]

contributions are definitely exploratory in nature, and in general are more concerned with raising questions and suggesting tentative conclusions than with formulating definitive truths. As Professor Ogburn points out in his Preface, this kind of approach is warranted in view of the limited amount of research and writing that has been done in the field. There is considerable variation among the contributors in their method of treatment. The resultant lack of unity is not without its advantages, however, in an inquiry of this kind. Recognizing these variations, Professor Ogburn seeks to provide in his "Introductory Ideas on Inventions and the State" a possible unifying frame of reference.

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Professor Ogburn also contributes two of the subsequent articles: one on "The Process of Adjustment to New Inventions" in which he analyzes this as a part of the total process of social change, and the other on "Aviation and International Relations". Professor Hornell Hart has an article on "Technology and the Growth of Political Areas" in which, from the examination of statistical data and logistic trends, he argues against common-sense generalizations on the influence of isolated factors and for "more fundamental scientific analyses of cultural change in its more inclusive aspects." Professor Abbott P. Usher contributes a very useful article on "The Steam and Steel Complex and International Relations" in which he discusses the effect of the development and utilization of mechanical energy upon international relations. Professor William T. R. Fox in "Atomic Energy and International Relations" explores with realism and measured optimism some of the questions involved in the international control of atomic energy. Professor Bernard Brodie, in "New Techniques of War and National Policy", is primarily concerned with the impact of the atomic bomb on United States security policy. Dr. Robert D. Leigh discusses the impact of modern mass communications on international relations. Professor Quincy Wright concludes the series with some generalizations on "Modern Technology and the World Order".

Though, as in any symposium of this kind, the quality of the various contributions is uneven, this book is an important contribution to basic thinking on an important and neglected topic.

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Interim Report on the European Recovery Program. By the ORGANIZATION FOR EUROPEAN ECONOMIC CO-OPERATION. Volume I. Paris, France, Imprimerie Administrative Centrale, 1949. Distributed in the United States by the British Information Services, New York.—196 pp. $1.30.

This report discloses facts which are becoming increasingly important in the pattern of current events. The Council of the Organization for European Economic Co-operation bases its plan of action upon several assumptions. Peace is mandatory. Further deterioration of the international political situation would certainly "lead to so great a diversion from recovery as would interfere with the national programs and postpone the date of their successful execution" (p. 12). A high level of employment must be maintained throughout the

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world, particularly in the United States. In the light of current trends, however, special administrative measures may have to be established to effect an equilibrium in the balance of payments between countries. The control of internal inflationary pressures, the future coördination of national economic plans even after 1952, sufficient E.R.P. funds, and a large volume of investment capital are other economic concomitants of which due cognizance is made.

Even before World War II, Europe's position in the world economy had been weakened. The gradual industrialization of primary producing (raw material) areas in North and South America, Australasia, certain parts of Africa, and Asia had brought the situation to a head. Today the effect of the development of home industries in these areas has been the reduction of a dependence upon European manufactures. "At the same time, the rapid growth of population has provided great internal markets for a large part of their agricultural output, thus making them less dependent upon exports of foodstuffs and raw materials for Europe" (p. 16). It is worth noting that such decisions to devote industrial and agricultural output primarily to home consumption have been interwoven with political control.

Essentially speaking, the long-term problem of Western Europe will be one of maintaining a high standard of living for a dense population, in a world where it is no longer the predominant source of manufactured supplies (p. 17). Even in 1938, nearly one half of the world's output of manufactures was produced outside of Western Europe. In view of the effect of the global conflict, the proportion is understandably much higher now.

Point Four plans, overseas development projects, and the recently announced two-year $85 million coördinated objectives of U.N. agencies for aid to backward and underdeveloped countries are primarily part and parcel of the design for the restoration of healthy world trade. With particular reference to the Overseas Territories, the report expresses the joint belief that the Territories can play an important rôle. The rôle will be specifically one of developing self-sufficiency in certain necessities, of providing supplies (that is, for England, France, the Netherlands, Belgium) that would otherwise cost dollars. Also, the development in home production of dollar-earning exports is an integral part of the Territories' projected contribution. But it is revealed that these areas "will only be able to make their contribution if their essential needs of capital goods (equipment, machinery), incentive goods (consumers' goods), and finance (credit arrangements and investment capital) are met" (p. 43).

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Better economic conditions will become more and more dependent upon a vigorous trade policy. In turn, a vigorous trade policy will rely upon adaptable industry, new products, new skills, realistic fiscal policy, technical help to those embarking on investment projects abroad, and price alignment (p. 60).

Basically speaking, world economic interdependence forbids the economic isolation advocated in some circles. The American economy can be adversely affected by any untoward developments abroad. In future months, discussions relative to the proposed International Trade Organization Charter will bear watching; for this O.E.E.C. report definitely illustrates the need for economic development and coöperation, rather than price and tariff warfare and overspecialization in certain commodities. But, what is very important, it will lie within the province of the U.N. Trusteeship Council to make certain that economic plans of particular countries are not ostensibly used to retard the inevitable political development of the inhabitants of the Overseas Territories.

SAMUEL P. PERRY, JR.

BOSTON, MASS.

Government as Employer. By STERLING SPERO. New York, Remsen Press, 1948.—ix, 497 pp. $5.65.

Government as Employer examines the growth of unionism among government workers and the special problems that arise in this area. Dr. Spero deals with general changes, and he also devotes chapters to special occupational groups—postal workers, state and municipal employees, firemen, teachers and policemen. Although organizations of government employees have existed for more than one hundred years, federal employees have enjoyed the right to organize only since the enactment of the Lloyd-LaFollette Act in 1912. At present, about a million government workers belong to unions. Some are affiliated with the AFL or CIO, others are independent. The unions organizing government workers also differ structurally. Some of them accept only a single category of workers; others will enroll all, irrespective of trade or profession. A third group of unions organizes government workers in a craft or industrial union, but they also accept workers in the same craft or industry hired by nongovernment employers.

Contrary to popular belief, the majority of federal employees in continental United States in 1947 were engaged in non-white-collar occupations. Of these, "450,000 were craftsmen and laborers em-

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ployed in the arsenals, navy yards and other armed service industrial undertakings, the Government Printing Office, the Bureau of Printing and Engraving, the Tennessee Valley Authority, other dams and various construction and industrial operations." Skilled craftsmen and postal employees are well organized, but unionism is weak in other divisions of the federal service. Three unions have attempted to organize the latter group of employees, but the strongest, an independent, has enrolled only 75,000 members. Similarly, state and local governments employ a large number of manual workers "whose work is seldom associated in the public mind with government employment."

Not only are a large number of government workers engaged in manual work, but increasingly government services tend to parallel or supplement private economic activity. Should such workers be denied the right to strike possessed by private employees? Dr. Spero recognizes the danger in the unrestricted right of government employees to exercise economic pressure, for some are engaged in services vital to health and welfare. He would determine the right to strike by the nature of the job and the effect upon the community of the withdrawal of the service. While this seems like a reasonable compromise, one must also ask whether government will be allowed to resist economic pressure and to what degree should such resistance be carried.

The problems raised by Dr. Spero are indeed serious. Increasing size of government means a greater number employed. Some form of protection for employees is necessary. Independent trade unions certainly have a rôle, but their right to strike does not seem to be well established. The test of the importance of the service suggested by the author only meets the problem partially, for there is also a question of [illegible]

Is it to suspend operations of the service, arbitrate or seek to operate with strike breakers? While there may not be an immediate answer to this dilemma, we must recognize that there is a great unwillingness of some government agencies and also taxpayers to consider the economic problems of their employees sympathetically. Such an attitude imposes heavy burdens upon the government worker, especially in periods of rising prices. Dr. Spero has dealt with this and other issues sympathetically, but not uncritically. His book represents an important contribution to the understanding of a difficult field in labor relations.

PHILIP TAFT

BROWN UNIVERSITY

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The Rise of Russia in Asia. By David J. Dallin. New Haven, Yale University Press, 1949.—xiii, 293 pp. $5.00.

In *The Rise of Russia in Asia* David J. Dallin has traced with a sure hand the unfolding of Russia's Far Eastern ambitions and policies from the mid-nineteenth century and Muraviev's expansionist program, to 1931 and the Japanese invasion of Manchuria. This new study is designed as a companion-piece to his *Soviet Russia and the Far East,* published in 1948. Together they provide a reliable guide to Russia's rôle on the Asiatic mainland, one far superior to the earlier studies by Yakhontov and Lobanov-Rostovsky.

As so often in their history Russia's rulers, checked in their Near Eastern ambitions, sought compensation, after the Crimean War, in an unchallenged extension of their Far Eastern territories. With the annexation of the northern bank of the Amur River and of the Maritime Province, Russia became a neighbor of Korea by land and, by sea, of Japan. Mr. Dallin has indicated the difficulties which were met and only in part overcome in building up a power-base in the inhospitable Russian Far East, a base which was inadequate to sustain the premature towering of Russian ambitions in Manchuria and Korea.

The Russian leaders alternatively supported China's integrity, without daring to join with those outside Powers, like America, which genuinely hoped for a revival of China, or toyed with the idea of a partition of China, without being willing to set any final term to their own sphere of future control. And throughout they relied upon military and diplomatic pressure, rather than on economic penetration. A provisional decision was forced on them by Russia's defeat in 1905. The subsequent series of Russo-Japanese agreements, down to 1917, was designed to delimit the two spheres of "interests" and to avert the interference of third Powers, particularly of the United States.

Was the renunciation of imperialism by the new Soviet régime dictated primarily by Communist consistency, or by a desire, in Russia's hour of weakness, to intensify imperialist "contradictions" dividing her rivals among the great Powers? Emphasizing the power motive in Soviet anti-imperialism Mr. Dallin outlines skillfully the steps by which the Soviet government recovered the Tsarist outposts in Sinkiang, Outer Mongolia and northern Manchuria and proceeded to exert a major influence in China's struggle for rebirth in the 1920's. At the time of the punitive expedition of 1929 into northern Manchuria the Soviet leaders still regarded Japan as a friendly Power and reserved their anti-imperialist fire for the United States. This mistaken

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analysis, which was paralleled by the contemporaneous Soviet expectation of an early war between Britain and America, was one of the factors which facilitated Japan's continental expansion in the 1930's.

Mr. Dallin has made excellent use of abundant Russian sources from the 1850's to 1917. Closer study of American as well as Russian sources would have shown that the Russo-Japanese treaty of July 3, 1916 was basically directed against potential American interference in support of China (p. 122). The author has oversimplified the complicated interplay of forces which led Wilson to reverse, in July 1918, his refusal to intervene in the Russian Far East; nor was the intervention expected to be a "joint operation" (p. 157). Kolchak's government was not recognized "as the legitimate Russian government" in November 1918 (p. 159); even in May 1919 it was accepted only as a provisional political authority in the areas which it actually controlled and as a nucleus from which a legitimate régime might emerge after the conclusion of the civil war and the holding of free elections. "The great port of Hongkong" was not "taken over by the British" (p. 205); in 1841 Hongkong was a barren and almost unpopulated island. Few students of the problem agree with Mr. Dallin that Soviet foreign trade has "generally been a fair barometer of political relations" (pp. 244-245), at least prior to 1939.

PHILIP E. MOSELY

THE RUSSIAN INSTITUTE OF
COLUMBIA UNIVERSITY

The Foreign Policy of Soviet Russia, 1929-1941. Volume II: *1936-1941.* By MAX BELOFF. Issued under the asupices of the Royal Institute of International Affairs by Oxford University Press,

Mr. Beloff's second volume on Soviet foreign policy, if somewhat less impressive than J. W. Wheeler-Bennett's *Munich* or L. B. Namier's *Diplomatic Prelude,* is another important British study of the events leading to the outbreak and spread of World War II. The book comprises two major sections, "The Breakdown of Collective Security", and "The Soviet Union and the 'Second Imperialist War'". While the principal narrative thread is the coming of war, the interlude of Soviet neutrality, and the eventual German assault on Russia, special chapters are devoted to Soviet policy in the Spanish Civil War, the Straits Question, the Middle East, and the Far East. Although,

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as Mr. Beloff remarks, "The preparation of this volume has suffered from the fact that important new material was appearing throughout the time it was in the press," the author has done an admirable job in keeping up with recent publication. He has, moreover, been gratifyingly scrupulous in indicating the sources of his information and in citing conflicting opinions on the controversial points of Soviet foreign policy.

Perhaps the most interesting of Mr. Beloff's conclusions is that the important switch in Soviet policy did not occur in the late summer of 1939 nor even as a consequence of the Munich Conference, but represented a trend from 1936 on. He regards a speech by Litvinov on November 28, 1936 as marking "what was in fact a turning-point in Soviet foreign policy—the beginning of a movement away from collective action, and towards a new isolation" (p. 67). By September 21, 1938, "Soviet interpreters had come full circle, back to their impartial condemnation of all 'imperialist' States. The logic of the later Soviet-German Pact of August 1939 is implicit in this argument" (p. 154).

On the whole, however—and this is the weakest feature of the book—Mr. Beloff shows excessive caution in interpreting his material, a caution not wholly justified by his warnings about the absence of adequate Soviet sources. To be sure, he makes some general concluding observations on the principles of Soviet foreign policy and in particular stresses the important fact that "to try to comprehend the Soviet outlook and to dismiss the inevitability of the world proletarian revolution is as idle as to try to comprehend the outlook of medieval man and to dismiss the reality of the Last Judgment" (p. 392). Unfortunately, such general observations, although illuminating, do not provide a guide to the meaning of the chain of events under consideration. The reader is frequently presented with conflicting interpretations that are neither reconciled nor evaluated. Thus, while Mr. Beloff indicates that certain Soviet actions seem to substantiate the Russians' claim that they were the consistent champions of collective security, he also suggests the possibility that the Russians by their acts were attempting to foment European discord at the time of the German reoccupation of the Rhineland (p. 16) and that, despite a formally correct attitude during the Munich crisis, they were not seriously prepared to act, but were playing for publicity (p. 166).

The resulting picture of what the Russians were attempting to achieve is confused. At such times the work falls to the level of a

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carefully edited compilation. Apparently Mr. Beloff, objectively, has tried to give due weight to the Soviet public diplomatic record in the years preceding the war as well as to the discouraging implications of subsequent Soviet policy, and, subjectively, has tried to balance a personal disapproval of the Soviet régime with a historical impartiality. This balancing seems to be what has inhibited the emergence of a consistent and explicit interpretation of the subject as a whole.

HENRY L. ROBERTS

COLUMBIA UNIVERSITY

The Spirit of Post-War Russia: Soviet Ideology 1917-1946. By RUDOLF SCHLESINGER. London, Dennis Dobson Limited, 1947.—187 pp. 8*s.* 6*d.*

Although published a year earlier than Maurice Dobb's comprehensive *Soviet Economic Development since 1917*,[1] Dr. Rudolf Schlesinger's monograph represents a most valuable supplement to that outstanding treatise. While the Dobb volume unfolds the economic history of the stormy three decades that have elapsed since the Russian Revolution, Dr. Schlesinger offers an incisive analysis of the political and ideological processes that have accompanied the momentous transformation of Russia's economic and social structure.

It is hardly surprising that the political and social philosophy dominant in Russia at the present time is very different from what it was in the days of the October Revolution. A great number of things did not develop according to plan. The socialist revolution in Russia that was expected to be only the first step on the road to a socialist reorganization of the world, or at least of Europe, remained a tremendous but isolated historic event. The industrially advanced

which were expected to assume the leadership of a multinational socialist commonwealth and provide Russia with guidance and aid in its economic and social progress, remained in the capitalist camp, hostile to Bolshevism and to Russia. The program of economic development, indispensable if Russia was to raise the living standards of its population, which was originally expected to be a part of a global plan for economic reconstruction, had to be carried out with Russia's own inadequate resources. Far from being assisted by foreign countries, Russia had to divert considerable resources to defense against their possible aggression.

[1] London, 1948.

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In spite of all efforts on the part of the Communist party, the internationalist element in the Soviet ideology shrank progressively under the pressure of these events. Soviet patriotism grew in importance as a paramount component of a national consciousness that had to grasp Russia's lonely position in the world and support stupendous sacrifices on the altar of industrialization, collectivization of agriculture, and defense.

The German invasion, carried out by a nation that for almost a century was regarded by the international labor movement as the center of socialism in the world, administered a cruel (final?) blow to the orthodox internationalism of the early years.

The dangers from the outside and the pressures resulting from the domestic program of accelerated capital formation and industrialization changed equally drastically the original concept of the state. The all-powerful "dictatorship of the proletariat" established by the October Revolution was considered to be a temporary expedient that had to be reluctantly adopted for the protection of the new republic against foreign and domestic enemies. As soon as domestic counter-revolution should be crushed, and foreign opposition to the new social order eliminated by revolutions abroad, the need for the enforcement machine set up in 1917 was expected to abate. To be sure, the "withering away" of the state was not an immediate prospect; it was visualized, nevertheless, as realizable in the foreseeable future. The perpetuation of Russia's isolation rendered all those expectations illusionary. The state was here to stay, and became next to patriotism a powerful pillar of Soviet ideology.

Dr. Schlesinger presents an excellent account of this ideological evolution. While there is ample room for divergence of opinion as to whether the outcome of this evolution is in keeping with the philosophy developed and propagandized by Marx, Engels, Lenin and Stalin, Dr. Schlesinger has succeeded in demonstrating convincingly that the transformation of the socialist orthodoxy that has taken place in Soviet Russia was the inevitable result of the unique historical setting in which the Bolshevik movement struggled and conquered in Russia. This renders *The Spirit of Post-War Russia* indispensable reading to anyone who wishes to understand the political theory of modern socialism, and it is to be hoped that reprinting in this country will make Dr. Schlesinger's book more easily accessible to the American reader.

PAUL A. BARAN

NEW YORK, N. Y.

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History: A Guide to Peace. By ERNO WITTMANN. New York, Columbia University Press, 1948.—viii, 423 pp. $5.50.

The approach of the author of this book is that of the sociologist. He repeatedly employs the terminology of the physicist and biologist to describe the growth and decay of states. Throughout the book he displays a remarkable mastery of historical knowledge. His material is drawn from nearly the whole range of human history from classical to modern times.

Though the format of the volume is attractive, the half-dozen maps in black and white add little; and some of them are confusing. There are fourteen pages of bibliography and a carefully compiled index. On the whole the slips are few for a book of such breadth, but some of them should have been avoided. On page 145 Alfred Cobban's name is twice misspelled, in the text as "Coban", and in the footnote as "Corban"; and on page 306 Prince Adam Czartoryski is referred to as Minister of Foreign Affairs under Alexander II. More important, perhaps, are such statements as the following: the Younger Pitt "first devised" the British policy that no strong Power must hold the Lowlands (p. 108); that Denmark had permitted in the nineteenth century "a female in the direct line to inherit the duchies" of Schleswig-Holstein (p. 133); that twentieth-century advocates of self-sufficiency are "like the physiocrats" (p. 261); that the French Revolution "culminated in a victory of the proletariat" (p. 260). On pages 133-134 the author implies that the *Zollverein* followed the formation of the North German Confederation, and on page 242, in discussing international affairs after 1815, he practically denies that Metternich's Austria was a great Power.

Mr. Wittmann believes that certain tendencies in the growth and d[illegible] it (p. 26): "From the condensed story of separate bodies a symptomatology may be worked out—that is, symptoms characterizing each phase of integration or disintegration may be determined, and the work of statesmen in diagnosing the reasons for present malaises and devising possible remedies for them may thereby be given a scientific basis." Thus he expounds what amounts almost to historical determinism. His main thesis is that, once a society becomes internally integrated sufficiently to form a strong state within natural frontiers, it inevitably tends to expand, to seek security zones, to build up around itself friendly satellites. Such expansion in turn leads to overextension, an alliance of all other states against it, and

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its ultimate fall. Such an evolution and devolution are inevitable for every large state, in spite of all efforts to escape such a destiny. Inescapably in the last chapters the Soviet Union and the United States are shown to be already in the expansionist phase.

Another point, which is basic for Wittmann's discussion of the possibility of world government, is that no state can be formed successfully until a "community" has already been established. Since there is no true world community there can be no successful world government. World conquest by one Power would have no better chance of permanent success than voluntary schemes for world federation. In current world-government phraseology Wittmann is a "maximalist" who believes that no world government could succeed "without power to decide and to regulate those domestic affairs of nations which influence their foreign policy" (p. 265).

Mr. Wittmann offers little rational hope for world peace in our time. On the contrary nearly all of his arguments point to inevitable war between the two expanding Powers. Moreover he would deny us even the comfort of believing in a just cause. Repeatedly he declares that wars are not between good boys and bad boys, and in one place remarks: "But one might as well say it is a mistake for a tree to shoot out branches, since they may collide with its neighbors in the forest, as deplore the course of a state living in continuous competition with others" (p. 353). Only one forlorn hope does he hold out—the formation of a strong third Power to balance the two giants. The establishment of such a third Power is really in the interests of both Russia and the United States, he claims, but he does not explain why these states should be more far-sighted than earlier expanding Powers. The British Empire would be the ideal third Power, he states, but he has already proved that the British Empire is disintegrating. The union of Britain with Western Europe might furnish another possibility for a third Power, but he has stated earlier: "Europe cannot be united until some deluge washes away the memories of each nation's glorious past..." (p. 339). At the very end, he predicts that such a third Power must eventually arise, but it is cold comfort to contemporaries when he says, "but apparently first a deluge must wash away narrow nationalism" (p. 376). Once or twice Mr. Wittmann attempts to revolt against the iron historical determinism which he has built up, but he has left few loopholes through which the spirit or will of man can escape.

JOHN G. GAZLEY

DARTMOUTH COLLEGE

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The American Spirit in Europe: A Survey of Transatlantic Influences. By HALVDAN KOHT. Publication of the American Institute, University of Oslo, in coöperation with the Department of American Civilization, Graduate School of Arts and Sciences, University of Pennsylvania. Philadelphia, University of Pennsylvania Press, 1949.—ix, 289 pp. $3.75.

In 1945 Carlton Hayes offered as the theme of his presidential address to the American Historical Association the suggestion that America is the frontier of Europe and as such must be considered an integral part of Western European political and cultural life. Since then, undoubtedly stimulated by post-war international developments, a more general appreciation of the existence of a common Western Civilization has grown among scholars and laymen alike. A number of anthologies have appeared offering either foreigners' analyses of the United States or vice versa. Some of the best have been Henry Steele Commager's *America in Perspective,* Allan Nevins' *America Through British Eyes,* Philip Rahv's *Discovery of Europe,* and, recently, Oscar Handlin's *This Was America.* We did not have, however, a monographic study of the reception in Europe of American governmental and social concepts, technological inventions, literary works—indeed the whole range of New World contributions to the Old. It is a large order to fill, made more difficult by the paucity of specialized investigations. This attempt here under consideration is the latest work of the distinguished and productive Norwegian historian and former Foreign Minister, Halvdan Koht.

The American Spirit about which Mr. Koht writes is left undefined, which is perhaps as it should be, for its very amorphousness serves to underscore the main motif in this transit of culture: that the elements

able pattern. At one time it was Benjamin Franklin, inventor and innovator, who as the prototype of the American seized the imagination of the Old World; then it was the Revolution itself that stirred men abroad; still later the reform movements of the middle period inspired like-minded Europeans with increased zeal. It appears almost as if it was merely the novelty and boldness of American action, regardless of the area of endeavor, that caught and held the attention of foreigners. By the end of the nineteenth century when the American system of government had long since ceased to be excitingly new, mechanical inventions had become the symbols of the United States, bringing the possibility of better living through less physical drudgery,

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and that, Mr. Koht declares, "inaugurated what has been called the Americanization of Europe."

The reader's reaction to this book will vary with his interests and his acquaintance with the literature in the field. This reviewer regards the chapter entitled "The American Revolution as a European Revolution" as the most useful, elucidating as it does the reaction on the Continent to the conflict between Britain and her colonies and the ultimate effect on the writing of the constitutions of Norway and Belgium. As a matter of fact, the author has, throughout, employed a wealth of material, much of it new, on the impact of the United States upon Scandinavia and the Low Countries.

It is easy to criticize *The American Spirit in Europe* on the ground that the Iberian Peninsula and Italy receive only fleeting mention or that there is no discussion of the actual channels of cultural interchange or that the chapter "America as a World Power" deals too little with the institutional effects on Europe or that the significant writings of Theodore Blegen and Michael Kraus find no listing in the bibliography. Nevertheless to carp would be to overlook that this volume opens up new highways that must in the long run help to break down the provincialism of historians on both sides of the Atlantic. And if, as many would have it, Europe is now, in fact, the frontier of America, then Mr. Koht has written the pioneer study in a historiographical area that bids fair shortly to become a major one.

Henry F. Graff

Columbia University

Liberalism and the Challenge of Fascism: Social Forces in England and France (1815-1870). By J. Salwyn Schapiro. New York, Toronto, London, McGraw Hill Book Company, Inc., 1949. —xi, 421 pp. $5.00.

The subtitle helpfully describes the character of this book. With care and skill Professor Schapiro summarizes the doctrines of economic, political and social theorists in England and France, 1815-1870. Jeremy Bentham, John Stuart Mill, Alexis de Tocqueville, and several lesser lights among the liberals are given much attention. Conservative French thinkers such as Chateaubriand receive briefer notice. And those whom the author labels "heralds of fascism", Napoleon III, Proudhon and Carlyle, are treated with considerable fulness.

Although Professor Schapiro has special fondness for the liberals, he is fair and judicious in his discussion of subscribers to a different

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creed. His analysis of the liberalism which flourished in Europe a century ago throws into sharp focus the present-day misuse of that label by supporters of the starkest authoritarianism. Theories are presented in their proper milieu; and the author makes allowances for basic differences between the English and the French scene. But sometimes he errs in efforts to find similarities between the conditions in the two countries (pp. 21-22), and frequently he falls into the trap of assessing too great importance to abstract theories.

Possibly because of Professor Schapiro's desire to find similarities between English and French liberalism, the liberals are defined as "'free thinkers' definitely nonreligious and militantly anticlerical" (p. 6). This fits the French, but certainly not the English type of liberals, unless Lord Acton, John Bright and W. E. Gladstone are to be excluded from the fold. That the author is confused about the English liberals is evident from his statement that it was "the secularist liberals in England, who in the nineteenth and twentieth centuries succeeded in shearing away many privileges of the established Anglican church and in separating church and state in Ireland and in Wales" (p. 7). Peel, Gladstone and David Lloyd George are thereby placed in a strange and unfamiliar category.

The hoary legends about the British *laissez faire* and the anti-imperial polices are repeated. In both instances, opinions have been confused with policies. The many regulatory laws passed by the British Parliament between 1830 and 1870 amply rebut assertions concerning *laissez faire;* and the fact that no responsible British statesman while in office urged abandonment of colonies seems convincing on the point of imperialism. That theories counted for much in the French upheavals in the period discussed must be taken for granted. But British [illegible] 1815-1870 [illegible] nomic and political theories. Statistics of trade, 1842-1845, convinced Peel of the need for free trade; and hard economic and financial facts caused Gladstone to make free trade a reality. Professor Schapiro's discussion of social theories obscures the basic truth that the Industrial Revolution and the impress made by the Evangelical Revival on the minds of British statesmen of a century ago were the dynamic forces in English society at that time. The Bible and the countinghouse shaped the views of Peel and Gladstone. And the most potent force in the transformation of British colonial policy in the second quarter of the nineteenth century was James Stephen, the famous colonial undersecretary. He was an earnest Christian, an efficient administrator, and a great liberal. By attempting to find the

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key to Britain's social dynamics in abstract theorizing Professor Schapiro leads students into a dark closet. As a digest of theories the book is admirable, but its many assertions of more than doubtful historical validity make it an unsafe guide for an important period in modern history.

Paul Knaplund

The University of Wisconsin

Burke's Politics: Selected Writings and Speeches of Edmund Burke on Reform, Revolution, and War. Edited by Ross J. S. Hoffman and Paul Levack. New York, Alfred A. Knopf, 1949. —xxxvii, 536, x pp. $4.75.

The fame of Edmund Burke, molder of a rich and flexible Toryism, has recently been more nominal than substantial. Changed conditions of public speaking destroyed the eminence he had held when oratory had recognized functions and involved some of the excitement of sports. Thereafter, Burke was quoted almost into oblivion; for frequent quotations implied the comfortable assumption that he was known to all, and few men felt that they could bear the burden of such sententiousness. One example of this neglect, in spite of a growing number of specialized studies, is that Burke's excellent analysis of the American spirit of liberty in his Speech on Conciliation has not been used in recent discussions of the American character. Moreover, this loss of familiarity with Burke's comprehensive conservatism has prevailed in a period of fumbling and ineffective conservatism.

To rescue Burke from this mummified fame and to furnish conservatism with a clear and dexterous guide are the objectives of Ross J. S. Hoffman and Paul Levack in this volume on *Burke's Politics*, an edition of his selected writings and speeches. The editors present not a representative but a generous selection designed "to show the operations of Burke's mind, at its best, on all the great political questions of his age" (p. vii). Their excision of "dead politics" is expertly done, and their editorial notes are unobtrusively illuminating. The introductory essay presents Burke as the opponent of canting ideologues and perfectionists, but also as the Christian humanist who believes that God has ordained an order, the natural law, for the world. Men and government should observe this order. But Burke saw human society as infinitely complex and the guiding principles as few and difficult to apply, for the human mind is limited and its knowledge rarely complete. Thus, though Burke adored liberty, he revered prudence as its indispensable servitor. He held for no simple, autono-

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mous expediency in each situation, for he believed in a hierarchy of values. Prudence meant "the high intellectual virtue of discernment, reasoning from all known facts, foresight, circumspection, astute judgement of actualities and probable consequences" (p. xxxii). His view of politics as necessarily an art made him contemptuous of theorists who ignoring human realities made plans not for men but as though they were making men and binding nature to their designs.

The editors' interpretation of Burke points to phases which have been forgotten or ignored, and is at the opposite pole from Chancellor Hutchins' unhistorical attacks on Burke in *The Thomist* and *The Review of Politics*. A few introductory comments reveal the editors as un-Burkean anti-planning theorists. In their eagerness to present the wisdom of Burke, they do not always make clear the operations of Burke's own mind. For example, Burke's analysis of events was enormously influenced by oratorical devices, particularly the insistence that each event has its special color, which go back at least to Quintilian. There is a minor mistake in the note on King George's pension to Burke (p. 512). The royal pension of 1794 was £1,200 annually, not £2,500, although Burke did receive more money from the government. These, however, are the veriest flaws in an admirable and readable treasury which also vindicates the consistency of Burke against the naïve who regard Burke as a liberal in American matters and a panicky conservative in French affairs.

M. A. FITZSIMONS

UNIVERSITY OF NOTRE DAME

Wartime Production Controls. By DAVID NOVICK, MELVIN L. ANSHEN and WILLIAM C. TRUPPNER. New York, Columbia University Press, 1949.—vii, 441 pp. $6.00.

Three former toilers in the vineyard of the War Production Board have contributed this volume, based upon their personal administrative experiences, to the growing number of accounts about wartime government. Its contents are readily distinguishable as having three somewhat separate parts.

Half of the volume deals with mechanisms slowly, and even painfully, evolved to control the distribution of raw materials, principally steel, copper and aluminum, to wartime fabrication of essential end products. This is the story of priorities, limitation orders, material orders, the Production Requirements Plan, and finally the Controlled Materials Plan.

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There follows a miscellaneous group of chapters with no common thread of subject matter or continuity other than that each deals with problems of the War Production Board—the control of lumber procurement, the production and distribution of tires and cotton broad-woven fabrics, the scheduling of industrial supplies or "off-the-shelf" items like compressors and crankshafts, attempts to limit the expansion of plant facilities, means of insuring production of maintenance and repair items, control of producers' inventories of scarce materials, and the uncertain policies about wartime concentration of the production of civilian goods.

Finally, the authors undertake in two last chapters to summarize the lessons learned from this experience and to project "what we should do" as a consequence. No one will be particularly startled by the lessons: "that an emergency organization cannot be thrown together hurriedly with any great promise of rapid, efficient action" (p. 371); "that it is suicidal to assume that administrative action is automatic or that there exists in the normal peacetime experience of government and business a body of knowledge, procedures, and machinery which readily permits the translation of policy decisions into effective operation" (pp. 371-72); and "that community adherence to government policy can be secured only if the techniques for executing policy have been planned and tested and are non-disruptive of industrial routines" (p. 372).

There are other conclusions which not only are highly controversial but also are not previously discussed in the volume. The authors assert that "The history of legislation, opinion, and actual practice combine to make it clear that the power to review and therefore to control military procurement was placed in the hands of the civilian authorities at the outset of the national defense program" (p. 384). It makes little difference that this reviewer, for one, would vigorously deny that statement. But to introduce such a declaration without prior consideration of the issue is a highly dubious procedure.

The last chapter of advice for future behavior is not impressive. The authors minimize the importance of the National Security Act of 1947 and the creation of the National Security Resources Board by declaring that there is an "inherent contradiction" between this board and the Munitions Board of the National Military Establishment, also set up by the 1947 law (p. 413). But this assertion is not explained, and to this reviewer is not evident. The two agencies are highly interrelated but do have distinctive spheres of responsibility. What is the point then in proceeding to recommend that the govern-

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ment should " create now a civilian agency, charged with responsibility for industrial mobilization " (p. 417), when that has already been done? The real task rather is to make the N.S.R.B. an effective agency for mobilization planning.

There are a number of criticisms which this reviewer would like to make about the volume. For example, the authors (no doubt primarily Mr. Novick who in his modesty never admits that he more than anyone else deserves credit for developing the Production Requirements Plan) say that the most serious handicap to P.R.P. was the failure of the War Production Board to " compel the military to curtail their procurement within the limits of available supplies of critical materials " (p. 137). But actually the W.P.B. did do this in the autumn of 1942 in an exchange of correspondence with the Joint Chiefs of Staff which was the most crucial single issue of wartime production planning. This episode is not recorded in the volume at all. Indeed, it is this reviewer's opinion that much more of the real flavor of W.P.B. development is to be found in the official published history of that agency than here.

Yet this volume has an important administrative story to tell. Top officials in the W.P.B. were surprisingly indifferent to the detailed procedures whereby their basic purposes were to be achieved. It is no occasion for surprise, it seems to me, that materials-control practices had to evolve out of experience. This reviewer has little faith in planning done in a vacuum. But planning done in the stratosphere which ignores the mundane issues of how in practice to carry out basic intentions results in administrative failure. And that is the real lesson this volume is devoted to demonstrating.

JOHN D. MILLETT

State Labor Relations Acts: A Study of Public Policy. By CHARLES C. KILLINGSWORTH. Chicago, The University of Chicago Press, 1948.—x, 328 pp. $4.00.

Throughout the greater part of the existence of the United States as a nation, courts and legislatures have been less than cordial toward labor unions. From the Cordwainers case in 1806 to the injunction era of the first third of the present century the legal status of organized labor progressed from near-prohibition to an uneasy tolerance marked by occasional reversions to hostility. As late as 1915 the Supreme Court, having before it a statute to curb anti-union activities of employers, inquired " what possible relation " such a law had to

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"public health, safety, morals or general welfare." And it answered its own question: "None is suggested and we are unable to conceive of any." [1]

Beginning with World War I the policy of the federal government began to change. Unions were recognized, and collective bargaining approved by the War Labor Board. The Railway Labor Act was passed in 1926. After that came the Norris-La Guardia anti-injunction law in 1932, the Recovery Act with its famous section 7-A in 1933, the Wagner law in 1935 and validations of it by the Supreme Court in 1937. It appeared that the tide had turned. The anti-union policy of the government was in the discard, and an era of legal protection of unions and collective bargaining had begun!

Now, fourteen years after the passage of the Wagner law one is less sure about the trend. The Taft-Hartley law has advanced a different theory for the federal government, and here is Professor Killingsworth's book revealing counterdevelopments in the states. More striking even than his report on state labor relations laws, which is what the book is about, is the evidence, presented in an appendix, of a restrictive trend in statutes dealing with single phases, or at most a few phases, of union activity. In the very year of the passage of the Wagner law, state legislatures began passing laws to restrict such activities, and by 1947, 37 states had passed over 200 laws of that character.

Turning to the more comprehensive labor relations laws, Professor Killingsworth distinguishes between "protective" and "restrictive" laws. Five states enacted protective laws ("Little Wagner laws") in 1937. These were Massachusetts, New York, Pennsylvania, Utah and Wisconsin. Two years later Pennsylvania and Wisconsin so revised their laws as to transfer them to the "restrictive" category. Utah did likewise in 1947. Since 1939 four more states—Michigan, Minnesota, Kansas and Colorado—have passed restrictive laws, and only two—Rhode Island and Connecticut—have adopted legislation of the protective variety. At the present time therefore four states have labor relations laws of the earlier, or Wagner, sort, and in seven states restrictive laws prevail.

Professor Killingsworth's task, performed with great industry and analytic precision, was to examine and expound these laws. In doing this, he has rendered a great service; for only fragmentary information, or material difficult to get at, was available before. His indefatigable pursuit of factual data through interviews, correspondence, official

[1] Coppage *v.* Kansas, 236 U. S. 1.

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reports, rulings of boards and decisions of courts has produced a work of immediate and lasting value.

We need not here examine his presentation in detail. The essence of the protective laws is known to all who are familiar with the Wagner law. The restrictive laws—like the Taft-Hartley Act—" do not stop with the condemnation of specified activities by employers. They also undertake, in varying degrees, the regulation of unions." These regulations the author assigns, " with some overlappings ", to four main groups: prohibition of violence and similar activities, restrictions on peaceful tactics, limitations on union objectives, and regulation of the internal affairs of unions.

After warning the reader that " the analysis of these regulations . . . is perforce complex ", the author deals with them in three chapters. The succeeding chapters, in which both types of law are discussed, relate to enforcement, administration, mediation and arbitration and jurisdictional problems. A final chapter is devoted to " Conclusions and Interpretations ".

Despite the thoroughness with which the author has done his work —perhaps because of it—one is left with questionings about the trend of policy that these laws may represent. All of the " restrictive " laws include affirmations of protection for organization and collective bargaining. Yet they include other provisions that seem to leave little doubt about the existence of a purpose to weaken the unions. " These laws ", the author writes, " generally give priority in case of conflict to the rights of non-union workers and employers seeking to resist organization or strikes. . . ." Moreover, in Wisconsin " it is virtually impossible to conduct an organizing campaign without violating the law."

their bite. No great effort to enforce them seems to have been made except in Wisconsin, and " even there unions have certainly not been crushed or, except in a few cases, impeded in their growth."

Professor Killingsworth suggests several possible reasons for the ineffectiveness of the laws. In most states the enforcement procedure is inadequate. Then, until recently, the restrictive states have been hampered by the protective policy of federal laws. Now that the federal government has " adopted the restrictive policy ", enforcement may be easier. But still, " the real difficulty " may lie deeper. " Perhaps the results of the protective policy cannot be undone except by sterner measures than any democratic government could adopt."

New York City

John A. Fitch

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Monetary Reconstruction in Italy. By BRUNO FOA. Published for the Carnegie Endowment for International Peace by King's Crown Press, New York, 1949.—x, 147 pp. $2.25.

Dr. Bruno Foa has done every student of Italian economic problems a service by writing this valuable study which covers the war and post-war monetary experiences of Italy down to the middle of 1948. A succinct introductory chapter describes the economic poverty of Italy with respect to its limited natural resources which are contrasted with the intelligence, skills and adaptability of its people.

During the war years economic unpreparedness led to a large inflationary gap and the issuance of large quantities of printing press money. Strangely enough price inflation in the liberated zone (which is the poorer economic segment) was twice as great as in the German-occupied zone. This was partly the result of an influx of military currency which flooded a poor territory which had too few goods to purchase. "In addition," says Dr. Foa, "great bitterness was created by the military exchange rate of 100 lire to the dollar (and 400 to the pound sterling)." The author guesses that the British Treasury was largely responsible for this rate, since the British were interested in keeping occupation costs down. It was a bad decision from the point of view of economic and psychological warfare, since the rate undervalued the lira tremendously at that time. The tragedy of this situation was that the decision was made in great secrecy by the Combined Chiefs of Staff without consultation or advice from capable experts in government service at the time. Also there was no control over American troop expenditures in Italy which would have helped curb inflation.

Although Italy's war losses were very great, she suffered no more than 10-15 per cent losses in industrial equipment (mostly in steel installations and oil refineries). Total war damages amounted to from 8 to 10 billion dollars, double the pre-war Italian national income.

After the war several difficulties interfered with rapid recovery. The Italian governments showed weaknesses and uncertainties for a time. Policy arguments raged over controls or no controls, since Italy's economic tradition before fascism was largely *laissez faire* (which is the doctrine of its leading economists, such as Demaria, Einaudi, and so on). The troubled period produced a compromise policy of part free-partly controlled economy. Dr. Foa has high praise for United States and allied economic help (about two billion dollars 1943-45) through the F.E.A., U.N.R.R.A. and now the E.R.P.

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The recovery was uneven and is still far from complete. Sudden spurts in silk, cotton and wool occurred almost immediately at war's end. Coal was needed for rayon and other production. Imports of coal were not up to the pre-war level of approximately a million tons per month, until July 1947. "Italy's industrial recovery ... was largely a function of the rate of coal imports," says the author (p. 45). The inflation, which was not curbed until the end of 1947 by the wise measures taken by Luigi Einaudi, was due to commodity shortages, low productivity, rises in income (especially profits), exchange depreciation and "the play of expectations". Wages caught up with the increase in the cost of living at least statistically (the wage index was 5063, cost-of-living index was 4872, both based on 1938=100). However, the cost-of-living index did not reveal the true rise in living costs, since there was no way of including black market prices, losses in quality, and so on. The tax system allows for extensive evasion and is based largely on highly regressive consumption taxes (to the extent of about 60 per cent).

Dr. Foa's treatment of the political aspects of monetary policy is excellent. Uncertainty ruled, until Dr. Einaudi (now President) took over as Minister of the Budget in 1947. For the first time in September and October commercial banks were required to keep reserves in the Bank of Italy and to invest in government securities pledged with the central bank. These anti-inflationary measures brought almost immediately a fall in wholesale prices; exchange depreciation was halted and the prices of stocks tumbled. The very success of the program brought a slump in the export trade. Einaudi's reform in making the exchange rates more nearly equal to the free rate helped foreign trade markedly. Although Dr. Einaudi has al-

[illegible] monetary affairs" was necessary to Italy's stabilization.

There is no doubt of the "western orientation" of Italy under the Marshall Plan, which supplies about 50 million dollars a month to Italy—about equal to the rate of United States-allied aid in 1945-47. This does not permit of a high level of living—in fact, it allows for a lower level than that of 1938. For a better Italy, the author suggests a more stable price structure, a better tax system, better democratic planning, lower interest rates, liberal emigration to ease population pressures and the incorporation of the Italian economy into a wider regional or international political system.

Dr. Foa's style is lucid but somewhat pedestrian. Further editing would have helped. The author is an able economist and only one

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minor statement can be objected to on page 67 that retail food prices are the "most sensitive component of the price structure". Possibly he meant "of the retail price structure".

HENRY S. MILLER

QUEENS COLLEGE

Postwar Years: Normalcy, 1918-1923. By FREDERIC L. PAXSON. Volume III of *American Democracy and the World War.* Berkeley and Los Angeles, University of California Press, 1948.—401 pp. $6.50.

With this volume Professor Paxson brings to a conclusion his "history of the times" covering 1913 to 1923 in 1251 pages. It was a bold undertaking for one whose best work had not been in the field of national history but rather lay in the study of regionalism, the frontier. As successor to Frederick Jackson Turner at the University of Wisconsin, Paxson had taken up the cudgels in behalf of the significance of the frontier and was regarded by many as its foremost advocate. Arranging his evidence, interpreting the facts of history, and arguing for an interpretation were methods he used to good effect. But in the present study Paxson has reverted to the methods of his old teacher, John Bach McMaster, and the result is not particularly satisfactory. The newspaper becomes his guide in the selection and emphasis of topics to be considered; the narrative runs from one issue to another, disjointed and unrelated, and gives neither adequate introduction to many problems nor a satisfactory conclusion. McMaster's Federalist-Whig prejudices are not followed, but this actually detracts from the narrative which is frequently cold and lifeless, a mere enumeration of detail. For example, chapter five—"Interests Resumed"—gives some illuminating information concerning history writing, baseball, stadia, boxing, tennis, highways, aircraft activity, wireless and radio, but neither here nor elsewhere does the account relate these to the life of the people in any intelligible way.

Essentially, Paxson is concerned with tracing the story of politics. The chief characters are members of the House and Senate, Wilson and Harding, and the party bosses. Business and labor leaders are permitted to appear here and there but without seriously intruding upon the politicians. There is no adequate economic analysis, no behind the scenes study or revelations; and no new light is thrown on motivation. The story of Wilson's leadership at Paris and his fight for the League follows well-trod paths and does not reveal awareness of the best work that has been done in recent years.

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The account of the Harding Administration is the weakest and most disappointing feature of the book. Historians surely can write of that period, a quarter of a century ago, without prejudice or moral indignation, but they must deal with issues realistically so that the reader may know the facts on which to base judgments. That those facts were not all brought out until investigations after the death of Harding and beyond the period covered by the author is no excuse for excluding them. All that one is permitted here to read is that Harding was sorely troubled, that Fall had done something questionable, that Jess Smith, an obscure hanger-on, had apparently committed suicide, and that Miller and Forbes were guilty of some crimes for which the latter was permitted to resign. The story of degradation and immorality among public servants, of disregard for public welfare, of sabotage of law and legal institutions, of questionable appointments to high office, of neglect of labor and agricultural problems calls for attention in a political history much more than does the state of the theater or the inanities in the literary world.

The freshest, most significant and best planned part of *Postwar Years* is the chapter on "The New Federalism", in which is described the interstate pact for the construction of Boulder Dam, the extension of federal aid for vocational and agricultural education, child welfare, road construction, and the problem of offshore subsoil rights of the states. Even here, however, the reader is troubled by the strict concentration on chronology which prevents completion of the account and by the failure to discuss the pressures which produced Congressional action. Also it is regrettable that the interstate pact for the development of the port of New York, perhaps as important as that for the development of Boulder Dam, is not analyzed. The punishment of those who voted to seat Trueman H. Newberry deserves praise.

The author's style of writing is discursive, rambling and verbose. Numerous awkward expressions, such as "Harding had attached his name to the tariff", and the way titles of books are introduced into the text in the absence of footnotes do not make for easy reading. Strict dependence on chronology makes necessary frequent and tiresome repetition. Paxson is always precise, careful, indeed meticulous, and few errors can be found in his work. It should be pointed out that in 1905, and every year after 1910, federal income from internal revenue exceeded that from customs.

PAUL W. GATES

CORNELL UNIVERSITY

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The Negro Ghetto. By ROBERT C. WEAVER. New York, Harcourt, Brace and Company, 1948.—xviii, 404 pp. $3.75.

In *The Negro Ghetto,* Robert Weaver has prepared a competent, factual description of residential segregation in the North, with an account of the economic and social factors which have perpetuated it. The author has organized an impressive body of data from a wide variety of sources into the most comprehensive single treatise yet undertaken on the problem of Negro housing.

Although there are several derived and supporting theses in the book, its major proposition is that in the area of housing in the urban North, characterized by high costs, overcrowding, physical deterioration and general social disorganization, the development of "single class and racially restrictive neighborhoods" is a block to the solution of both the problem of adequate shelter for all people and the problem of racial harmony. "The risk we face", says Weaver in this regard, "is that, in a period when some improvements are being made in the political and economic status of colored Americans, fears and rancors intensified by emerging housing shortages may be crystallized into a permanently worse social pattern." Although the South has a serious problem of housing, the author fixes his attention on the North where the problem of space is more critical and where racial segregation is not supported by political disfranchisement, gross economic exploitation and police brutality and intimidation. He believes that the problem of space "will force the North to deal with residential segregation."

Part I, as background for the central argument of the book, provides a detailed, objective account of the development of the Negro ghetto resulting from northward city migration, accelerated population increases, intensification of settlement, overcrowding of structures, lack of increase of housing supply, economic and social pressures restricting settlement, and the attendant deterioration of the older areas of the city within which these forces operated. It is a story well told and adequately documented from census data and special studies in selected cities of the North.

Part II gives an account of the development of the federal housing program and evaluates its successes and failures in opening up the racial ghetto and establishing a principle of integration. Here Dr. Weaver's discussion is intimate and authoritative, revealing the years of close association which he had with the federal housing program. The story is largely one of failure on the part of government to estab-

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lish patterns of racially integrated housing. Some desirable local patterns of integrated housing are described; but, although the program generally provides an equitable distribution of new housing supply, the inadequacy of democratic racial policy is outstanding in terms of both federal and local authority levels. Dr. Weaver is restrained and sympathetic in his writing at this point. On the constructive side, he says that war housing in part clarified and modified racial management policies and practices which had been established in the earlier low-cost, slum-clearance programs. Despite the unfortunate precedents, this indicates a trend toward integration in public housing programs.

In many respects, Part III, "Economic Factors and Fallacies about the Negro Ghetto", is the most crucial section of the book. In addition to a discussion of race restrictive covenants and other measures of residential restriction, Dr. Weaver provides a solid economic treatment of the problem of race and property values. This has been an area of confusion and heated debate, with the issue being divided between those who argue that Negro residency depreciates property values and those who argue the contrary. The author points out that the "panic-inspired movement of whites out", rather than the movement of a few Negroes in, largely is responsible for the fall in property values. At the same time, the fall in values usually has started before Negro families move in. He concludes that "There is no universal effect of Negro occupancy upon property values" (p. 293). He says that the influence of Negro occupancy upon property values is an economic rather than a racial phenomenon. "When pertinent social and economic factors have been held constant . . . assertions of major depressions of property values incident to N[illegible]

In the final section of the book, Dr. Weaver looks toward the future of the problem of housing and residential segregation. He makes a strong case for a national housing program through both federal and state governments for all income groups as basic to solution of the problems facing minorities. He describes current efforts toward urban redevelopment as both a threat and an opportunity to the interest of minorities in obtaining adequate and unsegregated housing. They are a threat in that they can be used (1) as a guise for displacing minorities from desirable areas, (2) as an instrument for breaking up racially democratic neighborhoods, and (3) to reduce even further the existing housing supply and living space available to minorities. The last two chapters offer positive, concrete suggestions as to methods

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and techniques for promoting racially integrated housing in both private and public fields.

Dr. Weaver has made a substantial contribution to our knowledge of the problem of Negro housing and residential segregation. As valuable as the document is as a volume on housing, its major value probably lies in its contribution to the understanding of the problem of race relations.

HERMAN H. LONG

FISK UNIVERSITY
NASHVILLE, TENNESSEE

John Hancock: Patriot in Purple. By HERBERT S. ALLAN. New York, The Macmillan Company, 1948.—xvi, 422 pp. $6.00.

The personality, character and public career of John Hancock seem to have been something of an enigma to his contemporaries, and they have never ceased to puzzle historians and biographers. John Adams, in fact, is quoted as having remarked concerning Hancock, "His life will, however, not ever be written." Mr. Allan in the preface to this most recent biography, characterizes Adams' observation as "an inscrutable and presumptuous prophecy" and seems to have regarded it as a challenge to himself to prove that a definitive life should and could be written. It is true that Hancock has probably received less attention from biographers than almost any other of the "founding fathers" of equal prominence; whether by reason of certain unattractive aspects of his career or because of the complications of his character, it is difficult to say. If he has been neglected it has certainly not been owing to any lack of prominence in public affairs during the Revolutionary era and the early days of the Republic. The limits of this review preclude even a listing of the incredible number of public offices which he held, in the province of Massachusetts Bay and later in the state of Massachusetts. He is of course best known as a member and president of the second Continental Congress, while it is not without significance that he was the first governor of the state of Massachusetts, and was reëlected no less than eight times. Whatever may have been his eccentricities and weaknesses, the man obviously had something!

Mr. Allan's volume brings out more clearly than ever the puzzling paradoxes of Hancock's career. Possessed of wealth and accustomed to an aristocratic way of life, he nevertheless supported the radical cause in the pre-Revolutionary controversy with Great Britain.

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Friendship between himself and various patriot leaders all too frequently turned to enmity and recrimination. Many persons who knew him well considered him vain, ambitious, egotistical, and intellectually shallow; and he was characterized by certain of his contemporaries as "the great image", "gilded puppet", and "His State Majesty". He was nevertheless amazingly successful at the polls, and the explanation can hardly be that he was a demagogue in the ordinary sense. These and many other paradoxes are clearly revealed in the present volume but Mr. Allan has not been much more successful than other biographers in explaining them.

Even though Mr. Allan may not have succeeded in writing a "definitive" life of Hancock, he has not been carried away by any uncritical enthusiasm for his subject, that dangerous trap for the unwary biographer. His tone in dealing with Hancock is frequently one of amused irony, although he is on occasion a trifle impatient with others who have presumed to criticize him. It is quite apparent that, even after years of research and study, Mr. Allan himself cannot make up his mind in regard to Hancock.

It should be said, in all fairness, that the author has written a valuable and entertaining book. Frequent quotations from contemporary sources afford an intimate and at times amusing picture of life in eighteenth-century America, although the author sometimes reveals an unfamiliarity with the historical background of the period. Hancock's reference to his native state of Massachusetts as "my country" (p. 299) should have occasioned no surprise. On page 310 it is implied that Alexander Hamilton's refunding scheme provided for the redemption of the continental currency at its face value, which of course was not the case.

which shall attempt to reconcile or account for those contradictions in Hancock's career which still puzzle the historian, as they apparently did his contemporaries.

WAYNE E. STEVENS

DARTMOUTH COLLEGE

New Worlds Emerging. By EARL PARKER HANSON. New York, Duell, Sloan and Pearce, 1949.—xix, 385 pp. $3.50.

The vast and relatively uninhabited tropical and arctic areas of the world are the "new worlds" which Earl Parker Hanson believes to be emerging as the next regions of intensified exploitation and settle-

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ment. His thesis is that the opportunities for support of mankind in these areas are so great that the "lugubrious wailing of the Neo-Malthusian Jeremiahs" is completely unnecessary and grossly misleading. If only the dynamics of change in exploitation of the world's resources were recognized, the author maintains, the student would inevitably be led to adopt an optimistic attitude and an acceptance that a renaissance in world development is approaching.

This position is an interesting one, and surely there is a need for tempering somewhat the impressions created by William Vogt's *Road to Survival* and Fairfield Osborn's *Our Plundered Planet,* or at least for recording the not inconsiderable possibilities for intensification of output in areas presently being exploited at all latitudes, and for penetration into areas now utilized only very extensively, if at all. The knowledge gained from living and working in various areas of the tropics and subpolar regions makes Hanson capable of valuable contributions to the understanding of techniques suitable for developing these areas. Unfortunately, the approach adopted vitiates much of the benefit that might have been forthcoming. The keynote is sounded in the Foreword where the author states that he "cannot pretend scholarly impartiality" and that the book is primarily "an optimist's bid for a hearing."

In the early chapters of *New Worlds Emerging* the author states his position with regard to population pressure, minority races, and colonialism. Any population pressure which may exist, he believes, is purely of local and temporary consequence because of the vast potentialities of the tropical and arctic areas to absorb settlers. A secondary theme which recurs in several chapters, but which is nowhere clearly developed, is that "racial concepts must also change" if full development of tropical areas is to be expected.

In chapter v Hanson gives attention to the difficulties of exploiting tropical areas and particularly to the problems of white settlement. If methods of living suited to the tropics, including the wearing of proper clothing, careful diet selection, provision for suitable housing, and the acceptance of hard physical labor, were adopted, he believes there would no longer be a problem of settling white men in the tropics. The problem of disease is rapidly dismissed by describing a few of the successful advances that have been made in controlling some of the well-known tropical diseases. But the author's defense of the tropical climate indicates clearly the lengths to which he is prepared to go to make his point. His reasoning is that "man is an

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equatorial animal", that he cannot survive other climates except by artificially changing them (through air conditioning in the hot months, and heating plus wearing heavy and expensive clothing in the cold months) to tropical climates, and that therefore tropical climates are suitable, indeed even desirable, for white men. Nowhere is the factor of humidity and its effect on "sensible temperatures" mentioned! Nor is the element of monotony in the climate revealed.

The remaining chapters, comprising the bulk of the book, are primarily case studies designed to indicate the potentialities of the tropic and arctic areas. Hanson states, for example, in the chapter on "The Amazon—A New Frontier" that this area is "as varied as the United States, and possibly as rich in the quantity and variety of its natural resources," and that ". . . the potential water power is all but unlimited." He later states that a flood of people will soon migrate near to the arctic areas of the world. Iceland is given to indicate the possibilities of subpolar areas as regions for settlement, surely about as atypical an area as might have been selected. The eradication of disease in the Panama Canal Zone indicates to Hanson that it can be eradicated everywhere; no cognizance is taken of the difference between this area of concentrated economic activity and the vast areas of the tropics with extremely limited economic output. Who is to pay the bill for disease eradication over these tens of thousands of square miles is not discussed.

It must be clear that the author is not exaggerating when he states that he cannot claim impartiality. It may be questioned whether he has not done his field considerable disservice by not hewing more closely to the objective approach.

WILLIAM A. W.
COLUMBIA UNIVERSITY

Latin America: Continent in Crisis. By RAY JOSEPHS. New York, Random House, 1948.—503 pp. $4.50.

From June 1947 to January 1948, Ray Josephs, a veteran correspondent in South America, visited Cuba and nine of the South American countries (excepting Paraguay), in order to reappraise the situation in that region as it entered into the post-war era. Under the title *Latin America*, which is somewhat of a misnomer because it includes only half of the countries of that area, he has set forth his observations, impressions and conclusions. The form of presentation is that of a diary with the entries grouped under each country. There

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is no general pattern in the treatment of the several countries, since it appears that the point discussed on a given day depended upon the mood of the writer, some event of the day, the place in which he happened to be, the persons with whom he talked, or some other circumstance. Mr. Josephs is an indefatigable investigator. He interviewed hundreds of people representing every walk of life, including presidents, dictators, governmental officials, political leaders, labor leaders, laborers, educators, scholars, and many others, thus endeavoring to sense the feelings, ideas, opinions and aspirations of the citizens of the republics.

On the basis of his investigation, the author presents many facts regarding the present situation of South America and Cuba. He discusses politics, politicians and political parties, giving special attention to the Communists, their organization, leadership, membership, influence and program. He introduces the reader to dictators and generals and seeks to determine their programs and the developments to be expected under their leadership. For each of the countries, he studies finances and industries, including mining and agriculture. He gives much attention to the movement for industrialization, as well as to labor and the labor movement. He presents some opinions regarding the church, education, art, literature and music and, for most countries, indicates the outstanding individual in each field of activity.

The attitude of the several republics toward the United States is considered a primary concern. The author finds that during World War II much attention was given to these countries and that now there seems to be a decided lessening of interest in them. The propaganda effort of the United States has been reduced materially, and many South Americans feel that the United States no longer cares for them. He learned that in each country there is a great desire for American money and that in many quarters there is criticism of the Marshall Plan, since it is felt that the help should be extended to Latin America rather than to Europe. Many Latin Americans keep their dollars abroad and want loans from the United States.

Mr. Josephs is critical of the Department of State and is inclined toward pessimism about the situation. The supplying of arms to Latin America he considers futile, since it may serve to create more problems in the trouble spots, a number of which have experienced revolutionary activities and governmental overturns since the publication of the volume. The author believes that post-war unrest

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and instability are deterrents to progress, but probably can be overcome. With respect to the United States and Latin America, there is need for a policy of understanding and coöperation, but that definitely means action on the part of Latin America as well as by the United States.

In conclusion the author feels that the basic factor in the uneasy scene is economic. Economic considerations touch all fields of activity. The wealth and land are still largely in the hands of a small percentage of the population. The church, the army, and the wealthy are the prime beneficiaries of the situation. The new governments which are taking over are faced with tremendous problems in relation to transportation, health, education, industry, finance and other pressing matters. The final paragraphs deal with the Bogota conference and are written in a somewhat critical tone. Although rather difficult reading, nevertheless *Latin America: Continent in Crisis* is interesting and thought-provoking.

ROSCOE R. HILL

WASHINGTON, D. C.

The Fall of Mussolini: His Own Story by Benito Mussolini. Translated from the Italian by Frances Fresnaye. Edited and with a Preface by Max Ascoli. New York, Farrar, Straus and Company, 1948.—76, 212 pp. $3.00.

"One fact has been definitely overlooked in everything that has been written on the Italian catastrophe of the summer of 1943: France originated the catastrophe on a specific date, November 8, 1942" (p. 5, text). This opening sentence of the book, surely an [illegible] is not an unfair measure of the value of Mussolini's account as history. It would be all too easy in fact, as pointed out in the introductory preface, to riddle these articles, originally published in the *Corriere della Sera* in 1944, for their inaccuracies and omissions. They have interest nevertheless, but on a different level.

However distorted, whether by purpose or blindness, Mussolini's view of the manner and causes of his downfall constitutes in itself a historic document of importance. Nor is he unaware of the possibilities of a Napoleonic legend after the lapse of a sufficient interval of time. In the face of the unfavorable turn of military events and of threatening defection in the rear, Mussolini saw possible salvation

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in a return to his earlier gods, stressing the radical aspect of fascism, even if that meant a conflict with Crown, Church and conservatives, all of them ever dubious allies. But this plan was thwarted by the Sicilian invasion which accelerated the pace of the drama and brought it to the climax of the Grand Council meeting of 24 July 1943. Mussolini fully realized the import of Grandi's proposal to lay the situation before the King for his decision, but after a surprisingly equable, though lengthy, debate Grandi's resolution was overwhelmingly adopted. As Mussolini was leaving the King the next day, he was quietly arrested and the crisis was resolved with outward smoothness by the appointment of Badoglio to form a new ministry. Fascism, along with the Duce, made a strangely anticlimactic exit.

Of Mussolini's account of these events and his subsequent detention and liberation the outstanding aspect is the apparent mildness of his reaction. His indignation at Italy's behavior toward her German ally is interesting, and his use of the stab-in-the-back phrase can only be called humorous in the light of Italian action in June 1940. But his own lack of humor is revealing: Mussolini and fascism were pure opportunism and expediency; for them principle could at most be an additional tool in the arsenal of propaganda. And this brings out one of the most fundamental considerations that should be borne in mind when thinking of the place of fascism in Italian history. Cavour, the maker of Italy, knew well how to seize—even create—opportunity. But if Cavour acknowledged the inevitability of compromise, he held a high view of the nature and ultimate purpose of the human individual and of freedom. This Mussolini lacked: it is hard to match the cynical "realism" that discovers as a historic law the collapse of the ruling class in a crisis *because* of its greater intelligence (p. 155, text). The same realism enabled him to see through the pious pretense of the popularity of the wars of the *Risorgimento:* that episode, too, was merely a successful exercise in the use of power. No doubt it was such in part, and this will make it possible to continue giving an interpretation of the fascist episode as an extension of the *Risorgimento,* in fact as the revitalizing of a weakened tradition.

It is particularly enlightening in this connection to read the searching analysis which Professor Ascoli gives of the Italian scene in the section of his introductory preface entitled "The People". Mussolini *did* further unify Italy and was on the whole quite acceptable to the bulk of the nation—while successful at least. But in the closing

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section of his essay, Professor Ascoli lets himself perhaps be carried away by the enthusiasm of his hopefulness: the present politics of Italy hardly convey a picture of purge and redemption. If Mussolini's fascism is hardly likely to have for Italy the same significance as France's First Empire for the latter country, it is well to remember that the less glorious Napoleon III remains the subject of varying estimates, not all of them unfavorable. Mussolini will remain a controversial figure. To the perpetuation of this controversy, this testament of his may be a not insignificant contribution.

René Albrecht-Carrié

Barnard College

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BOOK NOTES

In his book—*Europe on the Move: War and Population Changes, 1917-47* (New York, Columbia University Press, 1948; xi, 377 pp. $5.00)—Eugene M. Kulischer provides a valuable detailed description of the currents of migration in Europe, both within and across national boundaries. He also develops a provocative, but to this reviewer unconvincing, thesis as to the relation of war to population pressure. In spite of the statement that "this study does not attempt to attribute to one exclusive factor the general phenomenon of war or the outbreak of the Second World War in particular" (p. 3), this appears to be the actual thesis of the book. The "oft neglected part which migration has played in world history and intimate although complicated connection with warfare" (p. 3) are not merely "emphasized" but appear to be made a sufficient explanation. Thus we are told that "suddenly the channels of emigration... became clogged and the resulting eruption was World War I" (p. 29). Later the westward migration in Germany, 1918-39, is described: "a mass accumulation occurred especially in central Germany. Then the current encountered a strong barrier. It had to assume a warlike character" (p. 205). Or again: "In central Europe the 'superfluous' elements of the population were organized into a formidable war machine. The frustrated migration current was ready once more to assume a warlike character" (p. 254). His interpretation of the course of the Russian Revolution in terms of population pressure is similarly provocative and unconvincing: "After the great famine the population was finally within its subsistence means.... Space was now available, space for rebirth, and space for re-peopling....In the end the population increased far beyond earlier numbers, leading eventually to a new disruption of the equilibrium. New migratory currents were called forth. They were followed by the passage from N.E.P. to another economic and social regime." (p. 78) But nonacceptance of the "demographic interpretation of history" does not involve rejection of the importance of migration as a factor, nor failure to appreciate the value of the historical account of migration. One can also agree that "the evolution towards greater inequality of earning

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opportunities presents the most formidable obstacle to the preservation of peace" (p. 324) and that "every reasonable regulation favoring migration is a step towards world peace" (p. 325). The trouble lies in the word reasonable. How do we "balance the demand of people for space to eat their bread, won by the sweat of their brow, against another people's right for protection of their hard earned standard of living"? (p. 325)—V. W. BLADEN, University of Toronto.

Professional as well as general readers desirous of obtaining a concise, earnest and closely reasoned presentation of the case of the movement in the United States for world government can hardly do better than to read *The World Must Be Governed* (New York, Harper & Brothers, 1949; xvii, 206 pp. $2.50) by Vernon Nash. The author is Vice President of "United World Federalists, Inc." and the book shows the best aspects of the convinced and experienced "pleader". Honesty of conviction is transparent throughout; equally honest is the effort to deal with some of the principal objections against "world government", and against the way in which his school wants to achieve it. This way is the bold jump. No gradual evolution. He sees war, "the epitome of all evil" (p. 4), so near, as a result of the present armament race and power politics, that only the boldest effort will determine our capacity to survive. The central theme is that the United Nations must be more than "strengthened and improved. It must be *transformed* from a loose association of fully sovereign states into a world government of limited but adequate powers." The bulk of the book is devoted to prove the two main arguments: that nothing less will do; and that it can be done, if only the rank and file in the United States will work for it. "All proposals for world [illegible] the calling for true world government rest *ipso facto* on pledges—that is, upon attitudes—since commitments are kept only so long as willingness to do so lasts.... Thus enforceable law, not unenforceable treaties, alone can end world anarchy" (pp. 116-17). This "enforceable law" will have to emanate from true government of and by the peoples of the world, not by such entities as states, although national governments would not be abolished at all (pp. 44 *et seq.*). Concretely, Mr. Nash advocates "a U.N. revisionist conference or a world constitutional conference... charged with drafting a world federal constitution to be submitted to all willing nations" under Art. 22 of the U.N. Charter, or "a general revisionist conference of its [U.N.'s] own membership" under Art. 109. "If it becomes ap-

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parent after sufficient effort that the U.N. is either unable or unwilling to act thus . . . a world constitutional convention composed of [government appointed] representatives of all willing nations should be assembled", evidently outside the U.N. (p. 187). The author believes that an effort toward the creation of common government (which government would have jurisdiction in only a few specific fields to be determined by its constitution) would be likely to overcome the tension between the United States and the U.S.S.R., and that there is a good chance for the latter's collaboration. A summary of Mr. Nash's arguments, comparisons, and political and historical axioms cannot be attempted here, far less an analysis or critique of them. He himself calls the book, "in several major respects, a report from the forum front" of the ideas he has discussed in 1,500 lectures. Regardless of the practicability of this concrete plan, the underlying trends—weariness about the adequacy of the United Nations, about the present course of world politics, about the danger of a catastrophic new war—assure a big followership to the idea of world government. The question is whether the positive constructive or the negative utopian components will be stronger in the movement.—JOHN H. E. FRIED, Department of the Army, Washington, D. C.

With *Three Who Made a Revolution: A Biographical History* (New York, the Dial Press, 1948; 661 pp. $5.00) Bertram D. Wolfe begins an ambitious task: the detailed, complete biographies, in several volumes, of Lenin, Trotsky and Stalin, woven into the history of Russian socialism, Bolshevism and the Soviet state. In this first volume he carries his many subjects and themes down to the beginning of World War I. Mr. Wolfe is especially suited for this imposing job since he knows the Russian language, was for a time a leading figure in the international communist movement about which he can now think with objectivity as well as close knowledge, and writes with genuine feeling for the majesty and sweep of the people and events he discusses. Though he is not yet ready, in this opening study, to offer conclusions about the nature of Bolshevism and the Soviet state, Mr. Wolfe does clearly indicate his interpretation of the three dynamic subjects of his book. Each emerges in familiar form. Lenin, as Mr. Wolfe describes him, is the thinker and actor, the theoretician and party builder, the creator of the surest weapon for the achievement and exercise of political power. Trotsky is the great thinker, the brilliant and original stylist, the vain and overconfident intellectual inattentive to the power and inertia of bureaucracy and sheer organi-

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zation. Stalin is the intellectually dull imitator, but the crafty wielder of organizational power. In tracing these men's personal and political lives Mr. Wolfe is generally sympathetic to Lenin and Trotsky and to other rebels against governments, but he is clearly hostile to Stalin from the beginning. Mr. Wolfe's book is especially valuable for its intimate account of the early history of Bolshevism and Menshevism, an era which is becoming more and more difficult to reconstruct as Soviet rulers and historians add new "facts" and omit or distort old ones not so congenial to the régime. At times, such passages in the book become tedious, but they are always easy to follow; and Mr. Wolfe has summarized a wealth of material not usually available to the few unofficial historians of this little-known period of Bolshevism. To the old question—Is Stalinism inherent in Leninism? —Mr. Wolfe already reveals that his answer is "Yes". Though he has not fully expounded his views on this subject, they come through in all parts of the book. As one sympathetic to socialism, yet aware of the value of Western democratic forms, Mr. Wolfe writes with a touch of nostalgia for a noble dream that, as this first volume indicates, can end only as a nightmare for him.—MORROE BERGER, New York City.

Political scientists whose special field of interest is American national government owe a debt of ever-mounting proportions to Floyd M. Riddick, who is at present Senate editor of the "Daily Digest" of the *Congressional Record* and lecturer on American government at George Washington University. I think particularly in this regard of the intensely factual review of the work of Congress that he has published each year since 1939 in the *American Political Science Re-*

[illegible] provided valuable assistance to all students of the national legislature. Now, out of his long personal acquaintance with the structure and functioning of Congress Dr. Riddick has given us another of his impressive collections of facts and figures about our national legislature —*The United States Congress: Organization and Procedure* (Manassas, National Capitol Publishers, Inc., 1949; xii, 459 pp. $4.50). The purpose of this book is clearly stated (p. iii). It is "to picture the Congressional machine at work. There is no attempt here to give a history of the development of legislative procedure, nor are any suggestions for a better system proposed. The study is merely a description of the House and Senate legislative machines, and of their political and parliamentary procedures in action." Within these limits he

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presents a precise account of such cardinal congressional problems as the functions of the national legislature, the political organization of the Houses, the formal and informal officers and groups, the structure and functioning of the committees, the highly technical order of procedure in the House and less rigid procedure of the Senate, the passage of a bill through the Houses, and the working relations of President and Congress. In most of his chapters Dr. Riddick engages in the admirable practice—which I found especially enlightening—of illustrating various technical points with germane (and often amusing) excerpts from the *Congressional Record*. In several senses it would be extremely easy to criticize this book. It will win no awards for literary craftsmanship, and it is totally lacking in philosophical content, in any profound speculation about the implications for twentieth-century popular government of the organization and procedure of the national legislature. Yet within its limited scope it is a real contribution. With faithful scholarship and painstaking application Dr. Riddick has put together a volume that will serve for many years to come as a first-rate handbook of congressional structure and functioning. I would agree unreservedly with the remarks of Professor Lindsay Rogers' introduction to the book (p. viii): "The internal enemies are not yet formidable but they can be kept few and the threat from without can be made less only if congressional government is efficient government. Efficiency is more likely if there is a full understanding of the rules that the two branches of Congress have and of how they are applied in practice. To this high end Mr. Riddick's volume has made a notable contribution." *The United States Congress: Organization and Procedure* fits neatly on one's desk between the most recent edition of the *Congressional Directory* and *Jefferson's Manual*.—CLINTON L. ROSSITER, Cornell University.

No one who has occasion to study post-war Germany in any field can afford to overlook *Deutschland Jahrbuch 1949* (Essen, West-Verlag, 1948; 502 pp.) edited by Dr. Klaus Mehnert and Dr. Heinrich Schulte. This is not a statistical abstract, though it contains a large number of tables; rather, it is an encyclopedia, describing post-war Germany for the period May 7, 1945 to the autumn of 1948. It is "a stocktaking of the values [*Werte*] which have survived the internal and external collapse of Germany or which have been newly developed during the first chaotic post-war years." It embodies the work of "nearly a hundred contributors from politics and economics, art and science, with extensive support from administrative depart-

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ments, unions, and institutions. . . ." All four occupation zones are covered, though "it was especially difficult and in part impossible to get particulars from the Soviet zone." After an introductory description of "*Land und Leute*", and a calendar of important events, 1945-48, there follow five parts: (1) "*Staat-Recht-Politik*"; (2) "*Wirtschaft*" (the longest of the parts, 124 pages); (3) "*Soziale Ordnung*"; (4) "*Kirche-Erziehung-Wissenschaft*"; (5) "*Kunst und Kultur*". One appendix lists the names of the zone officials and the ministers of the *Länder* and another gives a few lines of biographical information for nearly four hundred persons in the fields of politics, economics, and *Kultur*. Each of the five parts is subdivided into a dozen topics, more or less. There is an eight-page section on public finance, for example, and four pages on taxation. Condensation has been achieved without compressing the material into an indigestible mass. All together, this is an impressive volume, the more so since it was written and published by a private group without any subsidies.—CARL S. SHOUP, Columbia University.

What do the political parties that exist at the present time in Brazil, including the Communist party which was outlawed in 1947, stand for? What are their plans for the future of the country? In *Diretrizes partidárias UDN—PRD—PSD—PTB—PRP—PL—PR—PSP—PSB —PDC—POT—PST—PTN—PCB* (Rio de Janeiro, Irmãos Pongetti, Editores, 1948; 329 pp. paper), Professor J. A. Pinto do Carmo, a lawyer, has attempted to answer these questions by publishing the official pronouncements of the fourteen political parties which have been created in Brazil since the reëstablishment of the Liberal-Democratic régime in 1945. As the author points out in a brief introduc-

Vargas in 1937 as the result of the *coup d'état* of that year. They were not allowed to function again until after the overthrow of the dictator on October 29, 1945. With the restoration of political liberty in Brazil, parties were quickly formed, and many of them were able to take part in the campaign to elect delegates to the new constituent assembly. A constitution, modeled after that of the United States, was proclaimed in 1946, and a short time later elections were held for congress and for the presidency. Under President Eurico Dutra, parties have once more become an accepted part of Brazilian political life. Whether or not they will be able to provide the country with the stable government it needs will depend in the last analysis on the enlightenment of the electorate. It is still early to

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write the history of political parties in Brazil during the years under discussion, and Professor Pinto do Carmo did not do that. His purpose was to give the Brazilian voter an objective record of party policies to serve as a guide in the intelligent discharge of civic duties. At the same time, however, he has supplied us with a source book for the study of the most recent phase of Brazil's party system which the historian will find of exceptional value.—MANOEL S. CARDOZO, The Catholic University of America.

Another of the specialized works produced through The Albert Shaw Lectures on Diplomatic History at Johns Hopkins University is the result of a series of six lectures given in 1946 by Professor Malbone W. Graham of the University of California, Los Angeles. The title *American Diplomacy in the International Community* (Baltimore, The John Hopkins Press, 1948; xvii, 279 pp. $3.25) appears to be adequately covered when one keeps in mind the medium through which the author is trying to express himself. More specifically his object can be described as tracing " the influence which the United States, as an independent political entity, has exerted on the institutions of the international community, from the beginning of American independence down to the period closing World War II " (p. vii). He describes the first phase as one in which the United States makes its entry on the international stage. It was no easy debut since for over a century no new national entity had emerged. By the end of the Napoleonic Wars the new nation is fully accepted by the entire European family and is playing the rôle of sponsor and introducer of new members from the Latin American world. At the same time a full cleavage in philosophy has also come into being. A recognition of interdependency among nations is balanced against a repulsion from a decadent and tyrannical Europe. Internationalism struggles with isolationism. The latter wins with our rejection of the Congress at Panama. The former still has some strength as is seen in the popular sentiment for Greek independence and in Kossuth's welcome to the New World. Internationalism's nadir comes with the Civil War. All support for the Polish Insurrection in 1863 is suppressed in view of the parallel situation in the United States (in addition to a condition of national weakness). This weakness is gradually overcome and again there is participation in the international political community. The Congress of Berlin, Morocco in 1880, the partition of Africa in 1884-86, all arouse new evidences of

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interest. Only the opportunity for international institutional solutions is lacking. Apparently Professor Graham did not have time in his lectures to cover these fully. The Hague Conferences, in 1899 and 1907, could have been developed much more adequately, as might have the circumstances surrounding the Kellogg-Briand Pact. What he does cover is done most competently. The transition from neutrality to intervention under Wilson is probably one of the best parts of the book. The retreat under Harding and the inevitability of involvement are also shown, but with not the same fullness. Professor Graham has made a useful contribution on an important topic. It is hoped that in the future he will have the opportunity to write more adequately on this very important area of American diplomacy.—HERBERT MAZA, The City College of New York.

The entire problem of world organization has been systematically surveyed during the 1947 Norman Wait Harris Institute Symposium and published in *The World Community*, edited by Quincy Wright (Chicago, The University of Chicago Press, 1948; x, 323 pp. $5.00). After experts in sociology, anthropology, economics and political science have threshed out the topic, the consensus appears to be that cultural uniformity is not necessary for community integration. The six papers presented at the Symposium start with one by Professor Louis Wirth who defines the terms *world community, world society,* and *world government.* It is Margaret Mead who points out that cultural uniformity often increases competition and conflict and that cultural diversity may be much more desirable. Professor Kenneth Boulding, while stressing the need for an international trade and monetary authority with the power to produce results, points out the next two papers that a positive approach can be seen. Professor Robert C. Angell in his paper on international communication gives a concrete program for creating a world community, while Professor Harold Lasswell discusses the means for creating the positive feeling of world loyalty: identification with a symbol referring to mankind as a whole. Professor Pitman Potter adds the final stone to the structure when in his discussion of world institutions he declares that political organization can play a dynamic rôle in creating social unity. The conclusion of the book is that world government can be created once there is a desire for it by those who are in power. Professor Lasswell's contribution on this score is most enlightening. In con-

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trast, however, the second point that the book makes is best stated by Professor Albert Guerard, "I am going home with a cultural Katzenjammer..."; for the point comes out quite clearly that the social sciences have become so specialized, each with its own "jargon", that their experts now have difficulty in communicating with each other. The Symposium has thus done two services. It has pointed out both the need for integration in the social sciences and the favorable circumstances that are available for building a world government. —HERBERT MAZA, The City College of New York.

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